ELKHART COUNTY REGIONAL SEWER DISTRICT

Lynn Newlon
Regional District Coordinator
100 North Senate Avenue
MC 65-40 LN IGCN Rm 1255
Indianapolis, IN 46204-2251

IDEM
OFFICE OF
WATER QUALITY
2010 MAY 12 P 2:01

Kristine Krueger
Project Coordinator
Elkhart County Regional Sewer District
117 North Second Street
Goshen, IN 46526

May 10, 2010

RE: District Service Area Expansion

Dear Lynn

Enclosed you will find an application for inclusion of additional territory from the County Commissioners.

In addition you will find the District minutes from the meeting in which they approved the request.

Please let me know if you need further documentation or information

Sincerely

Kris Krueger

Scott Robinia, President Ben Russo, Member Lynn Brabec, Member
Robert Watkins, Secretary Tom Holtzinger, Treasurer
(574) 535-6746 117 North Second Street Goshen, IN 46526 (574) 535-6747 fax
An Equal Opportunity Employer

Elkhart County

COMMISSIONERS

Indiana Department of Environmental Management
100 North Senate Avenue
Indianapolis, IN 46206

IDEM
OFFICE OF
WATER QUALITY
2010 JAN 22 A 9:09

RE: District Service Area Expansion

January 19, 2010

Elkhart County respectfully submits this letter of notification to initiate due process to expand the service area of the Elkhart County Regional Sewer District.

Currently the Elkhart County Regional Sewer District has one service area which is referred to as Heaton Lake. We are asking IDEM to consider expansion of the District's service area to encompass all of Elkhart County.

District expansion will provide an additional source and means to address priority issues. Recently County Officials have been approached for assistance in providing infrastructure that would reach pockets of need outside established service areas. Due to various circumstances resources are unavailable. This is one project in which the District - if their service area were to encompass all of Elkhart County would have been able to assist. District expansion would allow us an alternative means to address the needs of our rural communities and residents.

The County Commissioners have met and agree that now is the time to request expansion of the Elkhart County Regional Sewer District to cover all of Elkhart County. We have appointed Kris Krueger from our office as our representative in this matter and ask that you contact her with further instruction regarding our request. Kris is available by phone (574) 535-6746 or email kkrueger@elkhartcounty.com.

Thank you for your assistance.

Sincerely,

Terry Rodino
Elkhart County Commissioners
Board President

117 N. Second Street, Room 101 • Goshen, Indiana 46526-3298 • (574) 534-3541 • FAX (574) 535-6747

return call 2-4

BOARD OF TRUSTEES OF THE
ELKHART COUNTY REGIONAL SEWER DISTRICT
COUNTY OF ELKHART
STATE OF INDIANA

IN THE MATTER OF THE APPLICATION	)	BEFORE THE BOARD OF
TO INCLUDE ADDITIONAL TERRITORY	)	TRUSTEES OF THE ELKHART
IN THE ELKHART COUNTY REGIONAL	)	COUNTY REGIONAL SEWER
SEWER DISTRICT	)	DISTRICT, ELKHART COUNTY,
PURSUANT TO IC 13-26	)	STATE OF INDIANA

APPLICATION FOR INCLUSION OF ADDITIONAL TERRITORY IN AN EXISTING REGIONAL SEWER DISTRICT

Elkhart County, an eligible entity under I.C. 13-26, by and through the Elkhart Board of County Commissioners tenders it's Application to the Board of Trustees of the Elkhart County Regional Sewer District, a regional sewer district organized as an independent political entity of the State of Indiana, to include within Elkhart County Regional Sewer District all of the unincorporated area of Elkhart County except those lands exempt from inclusion pursuant to IC 13-26.

Purpose and Need: The purpose of such inclusion is that which is already stated in the Order establishing Elkhart County Regional Sewer District, being to provide services for collection, treatment, and disposal of sewage inside and outside the District. The need for the requested inclusion has long been recognized by residents and businesses, the Elkhart County Commissioners, the Elkhart County Environmental Department and the State Health Department and the general public for the reason that sanitary sewage disposal is provided in these areas by on-site septic systems, many of which leak, have failed, or are failing, thereby contributing to contamination and suppression of development in the territory proposed to be included. The factors which are primary contributors to these negative environmental conditions are small lot size, poor soil types not conducive to proper functioning septic systems, and flood plain (high water table).

A. Public Health: The inclusion of unincorporated territory in Elkhart County Regional Sewer District will be conducive to public health, safety, convenience and/or welfare.

B. Feasibility: The inclusion of the territory in Elkhart County Regional Sewer District will be practical and feasible by providing an additional resource in addressing public health, safety, convenience and development growth.

C. Denomination of Regions: Upon approval of this Application, the territory within Elkhart County Regional Sewer District, shall be known as "Region A, Heaton Lake" and subsequently designated areas shall be "Region B", Region C" and so on.

D. Filing of Application: A copy of this Application has been filed in the Offices of the Board of Trustees of the Elkhart County Regional Sewer District and the Board of Commissioners of Elkhart County, Indiana. In addition, copies have been made available to the office of the Elkhart County Council and to the public in the offices of the Board of Commissioners. If approved, a copy of the approving Resolution shall be sent to the Indiana Department of Environmental Management and other appropriate State agencies.

WHEREFORE, Petitioner requests that the relief requested in the Application be granted promptly by the Board of Trustees of Elkhart County Regional Sewer District.

BOARD OF COMMISSIONERS OF
ELKHART COUNTY, INDIANA

ABSENT
Terry Rodino

Mike Yoder

Frank Lucchese

Attest:
Dave Hess
Elkhart County Auditor

MINUTES
ELKHART COUNTY REGIONAL SEWER DISTRICT BOARD MEETING
MARCH 31, 2010 AT 6:30 P.M.
MEETING ROOM - DEPARTMENT OF PUBLIC SERVICES BUILDING
4230 ELKHART ROAD, GOSHEN, INDIANA

Elkhart County Regional Sewer District Board Members – Scott Robinia, President; Robert Watkins, Secretary and Director of Planning and Development; Tom Holtzinger, Treasurer; Lynn Brabec, Elkhart City Appointee; and Benny Russo, Osolo Township Trustee. Kris Krueger, Project Coordinator and Acting Administrator

Regional Sewer District Roll Call
Mr. Robinia called the regular meeting of the Elkhart County Regional Sewer District to order. Mr. Watkins proceeded with the roll call. All of the Board members Scott Robinia, Bob Watkins, Tom Holtzinger, Lynn Brabec, and Benny Russo were in attendance and there was a quorum.

Report of Secretary – Mr. Watkins stated that this is actually the April meeting. He notified the Elkhart Truth and they published a notice of the change of date on March 15th and again made note of the meeting and the change of date on March 29th. The meeting was posted on the Public Service Building and the agenda was posted March 23, 2010.

Approval of Agenda – Mrs. Brabec moved to approve the agenda as presented and Mr. Watkins seconded the motion which carried unanimously.

Approval of Minutes – Mrs. Brabec moved to adopt the revised minutes from the March 3, 2010 meeting as presented and Mr. Holtzinger seconded the motion. The motion carried unanimously.

Application for Territory Expansion – Mrs. Krueger noted that territory expansion was tabled from last month and requested inclusion this month. She reported that the County Commissioners requested the District to consider expansion of services to include all unincorporated serviced areas in Elkhart County.

Mr. Watkins said the biggest concern would be cooperation from the communities, but that should be resolved. Basically, the District would become the municipalities' customer and the municipalities' approval is imperative in order to proceed with the project. The second issue open for discussion would be additional representation on the Regional Sewer District Board, which is required by state law.

Mrs. Brabec commented that after the last meeting she met with Mayor Moore to discuss the countywide expansion and he gave his stamp of approval with the caveat that the District Board be expanded. Mr. Watkins reiterated that the State rule requires representation from the utility that is impacted. District Board representation needs to be discussed; however, no one can be appointed until they know what projects they will be dealing with.

Mr. Robinia asked if when they do vote would that include the expansion of the Board. Mr. Watkins stated it would be best if there was a second motion; one motion to expand the territory and the second to revise the Bylaws to include additional members. He said the State rule requires that there must be representation from the utility that is impacted. Although that needs to be discussed, no one can be appointed tonight because they do not know what projects will be taken on, but as the District takes on projects representation from that utility must be added to the Board. He suggested expanding from a five to a seven member Board, but he felt they needed to discuss how to handle a situation where there may be a project in Wakarusa and Nappanee, but something develops in Goshen, because they need to know what to do in that case. Mrs. Brabec stated that since the District does not have any projects at this time a motion to expand the Board would be sufficient. Mr. Watkins informed them that the number of Board members had to be uneven.

District Board President Robinia opened the floor for discussion of the proposed countywide expansion of the Regional Sewer District and requested that the participants state their name and address.

Larry Thompson, Mayor of Nappanee, served as the representative for the all of the Mayors and Town Managers in the surrounding communities. He stated they were willing to work together and thought they could work out any differences they might have. Mayor Thompson was supportive concerning additional District Board representation from the municipalities that would be impacted.

Hans Musser, 56730 Via Pisa, Elkhart, stated that he came before the District Board as a citizen, but for the record he is a County employee. He mentioned that he was not familiar with the District Board and what it represented, but was aware that statutes for the Board were mentioned regarding including municipalities and discussions pertain to expanding the territory. He asked what the basis was for expanding the territory and whether it was a requirement of a state statute.

Mr. Watkins told him that there had been discussions in the form of a request to provide municipal sewer for a couple of different projects and there were funds available for these projects. One of the projects that stimulated some of this discussion was north of Middlebury and the Town Manager came to this District Board and organized a meeting to discuss expansion of the District up to Middlebury. The City of Nappanee also had some proposed projects for consideration. He explained that this Sewer District acts as a legal entity for those kinds of projects, and there is no other entity within the County that can assist with these projects. There is no interest in the Sewer District operating a treatment plant or hiring employees. He clarified that the Regional Sewer District is a legal utility and as such can apply for grants, contract for services, construct and operate a utility. For instance, the Regional Sewer District operates the municipal sewer at Heaton Lake which is just a collection system and then it is shipped off to the City of Elkhart.

Mrs. Krueger explained that the 'expansion of territory' does not necessarily mean that the District will 'gobble up' territory; it is just verbiage used to define it. She clarified if there was an opportunity for the District to assist unserved areas in the County this expansion would allow the District to follow through with the request without having to go back to the State for approval each time. Mrs. Brabec said if there is a need and funds are available countywide expansion would eliminate one of the steps the District would have to take to be able to obtain the funds to do the project. Mr. Robinia assured them that public support is taken into consideration and the projects would be considered on a case by case basis. Mrs. Brabec pointed out that they also look at environmental health, the community itself, public health and as well as the cost to the community.

Mr. Musser stated he questioned some things because he was aware of the Utility Master Plan that the Plan Commission presented as an addendum to the land use for the County. Mr. Watkins informed him that the Regional Sewer District does not have anything to do with and does not represent the Utility Study in any way. Mr. Musser was concerned about how the District would require the residents hook up to the sewer. Mr. Robinia explained that if the Sewer District was requested to put in a system into an unserved area there are laws that govern the requirements. Mr. Watkins said if a new sewer system was installed there would be a phase-in over five to seven years. Mr. Robinia pointed out that there is also a major health issue to consider. He said if a neighbor's system is pumping into the back yard or discharging into a waterway that is a major health issue.

Mr. Watkins stated that the Regional Sewer District has By-laws, an operating procedure, and as a Board have made a written decision that they are working *for* people; not against them. He said there are three basic things established. One, there has to be a project; two, the citizens have to support it; and three, there has to be funding to do it or the District is not interested because the Sewer District would not want to put sewer in where it is not wanted.

Mr. Musser said discharge to a ditch does not mean that one cannot repair a system and make it function according to standards. Mr. Watkins stated it does not make sense where there are dozens of residences in close proximity to spend money on a very expensive mound system instead of applying that toward, basically, an underwritten sewer that probably would cost them less on a monthly bill than it would years and years using the private system, which would fail again and again and the soils are so bad that is why they run the pipe in the first place.

Mr. Musser agreed there were instances where that was the case, but he suggested to the Board that it is imperative to notify the citizens of the County and Mr. Watkins agreed. Mr. Musser stated currently there are many residents in the County that have septic systems working, they do not have to pay sewer fees and they like that. Mr. Watkins informed him he did not think they were considering putting sewer where there are operating systems, but only where there are failing or nonexistent systems. He explained that it would be considered only by request with public meetings and public input. He mentioned the only reason this Board exists is because the residents of Heaton Lake demanded it.

Mrs. Krueger asked Mr. Musser what he felt a notification would involve. Mr. Musser stated there should be an article in the Elkhart Truth. He said if there would be expansion countywide the citizens may not know what they need to do. He recognized that Simonton Lake and Heaton Lake were two issues in the County where there were failing systems and in both cases the citizens wanted the sewer system.

Mr. Robinia pointed out that it would not matter where the Sewer District went there would always be a voice against it, because in each location there may be a working system. He said if all the neighbor's systems around one neighbor failed, but his worked, he would be against installation of the new sewer system because his septic worked. He explained they would not be able to get 100% of the community to support it. Mr. Robinia added that he is a citizen of Heaton Lake during the entire process there were no less than 15 public meetings over a seven year period before one shovel was ever turned, so there was plenty of opportunity to either derail it or voice an opinion on it. He said there were also many public notices in the newspaper, but very few people attended the meetings. Mr. Robinia said anywhere the Sewer District goes there will be public for it and public against it and there will be multiple public meetings for people to voice their opinions either way. He said there are 200 hookups on Heaton Lake and there never were any more than 30 people at any of the meetings, or 30 households represented. He also agreed that the Regional Sewer District would not want to be where people did not want it.

Mr. Musser recommended the District Board define a failed system. He thought the District should have some sort of table to indicate when they have reached a certain number of failed systems, because 15 to 20 years from now there may be technology available to handle onsite waste better than it does now. Mr. Musser concluded his comments.

Chris Marbach with Marbach, Brady & Weaver, stated he understood the reason for the creation of the Regional Sewer District and why it was needed for the Heaton Lake project and the reason for the countywide expansion would be to make funds accessible in a more timely fashion. Mr. Marbach said he did not have a problem with that, but did with making it a countywide district, knowing there is a Utility Master Plan that will be adopted which is 100% wanting sewer with no alternatives. He noted that a new Zoning Ordinance is also in progress simultaneously which, basically, required that if development is anywhere close it must be on sewer and water at three times the cost. He said he could foresee that the Plan Commission may determine that since the Sewer District is countywide that is all the more reason to require it. He felt it made it easy for other entities to require putting sewer in one way or the other; whether through municipalities or some group taking the first ½ mile and having the funds to force the next property to have it. He felt it created a chain reaction scenario and the Plan Commission might make it a requirement for every development.

Mr. Marbach said he had been reading documents pertaining to the LEED standards and 'green' building acts, how it is all being promoted and you get LEED credits for not connecting to municipal sewer and water. They give credits for not connecting to the city sewer and water because they want to diversify soil point discharge and spread it out around the communities. As long as they would have good onsite treatment it would work out fine in the rural areas providing it is designed properly. He felt it would be a 'slippery slope' to have countywide expansion in the District, because it would make it easier for other departments to require sewer and water. He felt it would also manipulate the funding in such a way to force sewer further away from the city.

Mr. Marbach quoted from the comprehensive Land Use Plan drafted a few years ago that was suppose to be in effect through 2015 had a specific section that talked about Goal #4, Environmental Stewardship,

5. "Alternative methods of replacement wastewater disposal and water supply for rural residential areas should be encouraged. "

Mr. Marbach pointed out that the plan stated 'alternative methods'; not just city sewer. He said there are alternative methods out there that are in place today that can help residential areas.

Mr. Watkins responded to Mr. Marbach's inquiries,

1. The Plan Commission has absolutely no authority over this Board. They have no leverage over the District nor do they have any authority over them. The District operates as a utility independent of any other County office.

2. The zoning ordinance requires sewer for smaller lots and allows for larger lots without sewer. Mr. Marbach stated 10 acres, but Mr. Watkins clarified that it was 1 or 1 ½ acres. Part of Mr. Marbach's argument was that the Sewer District would be 'forcing' sewer to happen. Mr. Watkins pointed out that it states if they want smaller lots they must have sewer and if they want a 1 or 1 ½ acre lot, which was the goal to provide high density to low density in the County, he did not know why we would want to encourage high density in an agricultural area. He directed him to the R-1 and Rural Residential zoning in the draft of the new Zoning Ordinance.

3. The Utility Master Plan is a planning tool which is a document that was geared to help the Planning Department make decisions with regard to development, but was not created to run sewer up and down the roads in the County. The Utility Plan was a result of having urban growth areas and the Planning Department not knowing how the urban growth areas would develop or what the municipalities' desires were. It was created as a result of the CR 17 development, where the Planning Department never intended development to be which, in turn, resulted in the potential need for treatment in that area.

He reiterated the Utility Master Plan was intended to be used as a guide to give the Plan Commission some direction as to how to develop in those urban growth areas. Mr. Marbach said it seemed to him that should be in control of the City and Mr. Watkins agreed. Mr. Marbach questioned why they would not just let the Cities do it and asked why there needed to be a Regional Sewer District when the City would still control it. Mr. Watkins explained that the Cities cannot operate in the County without an entity to work with. Mr. Marbach said there is sewer in the County now, but Mr. Watkins told him there is no sewer in Foraker, for instance, and they would not have the authority to extend out into the County. Mr. Marbach felt when City annexation moved out into the County that is when they should get sewer.

Mrs. Brabec stated that one of the concerns is that developers across the State of Indiana have developed neighborhoods and put in treatment systems, but there are no provisions long term for these residents to keep these systems going and now there are failing systems all over the State. She said the concern for Elkhart County is that a development may be created which works fine for the first 10 years and then suddenly things start to break down with no provisions available. By that time, the developer would be gone and no longer has responsibility, so the resident may be left with water systems that are contaminated, their property value has decreased or become worthless because they have no safe water, they have no way to dispose of their waste and they are left helpless. She noted that people do not read their covenants, they do not know what their responsibilities will be and that is what happens. Mrs. Brabec stated that in those instances the availability of the Sewer District would be very beneficial in order to be able to reach those residents and funding is available to help them solve their issues.

David Dougherty, Goshen City Chamber of Commerce, 232 S. Main Street, Goshen, IN wanted to comment concerning people that were having failing systems. He stated in his neighborhood association they pay a fee to maintain their property and there is a requirement in the deed when they buy a house to maintain their property. Therefore, he stated he had no sympathy for people in that situation. He said he liked the County's Land Use policy and supported the language in the policy. He had issues with the Regional Sewer District expanding

countywide and felt the County extending countywide would take from the cities. Mr. Dougherty felt it would cause an explosion of growth in the County. It would take from the City and once subdivisions are built in a rural area they are no longer rural; he considered that they were City. He said he had lived in counties where townships and county had this type of system and the damage it caused was unbelievable. He strongly opposed it because he considered it to be a very bad policy and asked that they decline the request. He said he specifically chose to live in the city where they have city water and city sewer services and felt sewer service only should be used within cities. Mr. Watkins thanked him for his comments.

Joe Hauflaire, Goshen City Planning Director, just had one question concerning representation. He was curious why the District would not include everyone early on in the process rather than bringing them in at the 'eleventh hour'. He understood that representation would not happen until they became part of the equation and was speaking for all of the municipalities. He felt they should be involved early on in the process rather than being added on to the District Board as they are needed. He felt they would be a better Board member if they were brought on early in the process.

Mr. Watkins explained that the Regional Sewer District is just now considering expansion because that request was made by the County Commissioners. He stated that the law specifically states that the Regional Sewer District has to have representation from the utility that is involved. He asked how large they thought the District Board should be. Mr. Hauflaire thought the municipality that had the treatment should be involved and the elected official. Mr. Watkins agreed and stated if a project came up the representation would be requested immediately.

There was no further comment, so Mr. Robinia closed the public forum. He said if there was no further discussion he would entertain a motion or it would be tabled. Mr. Watkins said a decision needed to be made whether or not to expand countywide. Mrs. Brabec moved for approval to expand the Regional Sewer District countywide and Mr. Holtzinger seconded the motion. The motion carried unanimously.

Mrs. Krueger said the request to expand the District countywide would be forwarded from the Commissioners along with the approval in the minutes down to the State to IDEM.

Mr. Watkins moved to revise the Bylaws to expand the Regional Sewer District Board to seven with representation from projects in the future as they occur. Mrs. Krueger asked if they should limit the number of Board members. Mr. Robinia felt they should not put a limit on the number, because if there were multiple projects there should be an opportunity to increase the Board members as needed. Mr. Watkins had discussed this with Lynn from IDEM and she indicated that once the municipalities are on the Board they stay on the Board, but when their project is completed they become ex officio and do not vote. He stated that only the members involved in the current project would have a vote. Mr. Watkins explained that they would keep the voting members to what they had chosen, but the other members are retained as non-voting members and participate as advisors. Mrs. Brabec suggested that they discuss this with the town of Nappanee to see how they feel about this. Since meeting with the other mayors at the last meeting she did not know if there was an assumption that the mayors that were present would have representation on the Board when it expanded. Therefore, she suggested they have input from them before a decision was made and the Board members agreed.

Mayor Thompson stated that the Mayors' and Town Managers' request was to have representation from each City that provides the treatment. He said if they are all on the same page they would participate until the project is completed. They are all in agreement and have worked this out with everyone. He said they just feel representation is needed. Mrs. Brabec said that her understanding from Mayor Moore was that initially Nappanee and Goshen would be the two Board members that would be added at this time. Mr. Watkins said Wakarusa or Middlebury could be added also. Mrs. Brabec said in that case they would go to another Board member or use the ex officio procedure. Mayor Thompson stated he agreed with Mayor Moore. Mr. Watkins said there is one hurdle and that is IDEM, because they have to approve the representation. Every time the District Board needed to change or add a member IDEM would need to approve it. Mayor Thompson felt it would be beneficial to expand the Board to instill trust in the surrounding communities.

Mrs. Krueger questioned whether it would be an option to let everyone know that the Board is expanding and now is the opportunity if they wanted to have representation to notify the District at a certain time and if they do not want to participate on the Board the District encourages them to attend the public meeting so they get a feel for the process. Then when their community has a project and needs the District's assistance they would feel comfortable about it. Mrs. Brabec said she was comfortable with what they had discussed and suggested asking the smaller communities if they want to have representation. That would assist them with determining the number of Board members. Mr. Watkins reminded them that the membership must be an odd number. Mr. Russo suggested that they have representation for all of the communities. Mr. Watkins told him they would have to expand to 13 members and he liked the suggestion, but there has been no public discussion with anyone about doing a project. He stated the residents are not aware yet so they are a long way from doing anything. Mrs. Brabec suggested if one of the communities decline, they should encourage them to send a representative to the meeting so they understand what the District is about.

Mrs. Brabec moved to expand the District Board and to invite all of the communities in Elkhart County with treatment systems to participate if they desire to have representation on the Regional Sewer District Board. She added that at that time the District would make the selection and ask those communities to make appointments to the Board, subject to IDEM approval, and to encourage attendance even if they do not have representation on the Board. Mr. Watkins seconded the motion which carried unanimously.

Mr. Watkins and Mrs. Krueger said they would work together to get that accomplished and there should be an update before the next meeting. The Board decided that the letter could be emailed and they would ask for a response from the Mayors and Town Managers.

Reports – *Business* – Mrs. Krueger gave an update on some of the residents that have contacted her and how she addressed them. She included the letters responded to in the Board members' packets. Mr. Robinia asked if there was a response from the James Robinson on Decker Drive, because he knew that resident moved in to the house in August. Mrs. Krueger spoke to his wife and she stated that they took ownership of the residence in August. They discussed the billings and Mrs. Krueger verified everything from Lagrange and the billings were correct. Mr. Robinia encouraged the District Board to entertain not charging for the late fees because he did not think the realtor informed them. Mr. Watkins they should pay the monthly billing, but include that it would be through today or they will be imposed get late fees and liened. Mrs. Brabec moved to waive the late fees through March 31, 2010 and Mr. Watkins seconded the motion. The motion carried unanimously. There were no further comments concerning the Betty Jo Moore letter.

Mrs. Krueger informed the District Board that notice had been received for a tax sale on one of the Heaton Lake properties. Mr. Watkins explained that it means someone paid the taxes and within a year if no one made good on the taxes for the property it could belong to the interested party. The bottom line is the District had to wait a year for the money. Even though they have bought the property it is on hold for a year. The owner has up to a year to redeem the property.

Financial - Approval to Pay Invoices – Mrs. Krueger reported that to date the District had collected $10,563.21 in the Wells Fargo account with a balance of $24,106.31 which did not include the items that Mr. Holtzinger provided at this meeting. Mr. Robinia asked about the negative $14,000 balance on the Fund Ledger, March 31, Auto Debit Rural Development, #912-2. Mrs. Krueger explained was expecting the auto debit, but had not received the deposit amount from Mr. Holtzinger at the time. Since then Mr. Holtzinger took care of the transfer and she assured Mr. Robinia there were adequate funds to the debit payment.

Mr. Watkins asked about what was collected in terms of penalties from the last tax round. Mrs. Krueger said they did not know yet. He indicated he needed that information for other issues and was told all of it was distributed on December 31st and if that is the case we need to find out where they sent our money. He said they sent his somewhere else. Mrs. Krueger said she would check into it.

Mrs. Krueger asked for approval to pay invoices due; I & M Power for $106.60, the City of Elkhart for CR 15 at

$78.66, City of Elkhart for treatment $1,000.42, MOI for services $1,840.00 including Sherry Lab and Lagrange County for their billing services in the amount of $3,000.00. She stated that the District will be debited by Rural Development for $29,865.89. She also received notification from the City of Elkhart for surcharges due to ammonia for July through December which totaled $77.49. Mr. Watkins moved to pay the bills presented by Mrs. Krueger and Mr. Holtzinger seconded the motion which carried unanimously. Mr. Robinia stated he had seen bills go up, but never saw them go down, so gave kudos to MOI, because their billing was actually $1,200 and Sherry Labs came to $640. Mrs. Krueger noted that they also sent reports for last month and this month.

Mrs. Krueger said the liability policy came through and provided copies to the District Board members. She had a question on page 5, Section IV-Insurance Information, #2, and could not recall the public officials liability limits and deductible desired. The Board members suggested checking into what was determined before. She said renewal was not due until May, so there was time. Mr. Russo asked whether it would increase the amount for the liability if the District Board membership was increased. They agreed that should be taken into consideration. Mrs. Krueger said she would request a copy from the insurance company and they could review it for amendment.

MOI - Mr. Holtzinger was happy to see MOI indicated a lower fee. Mrs. Brabec said as soon as the term RFP was mentioned the fee dropped. Mr. Holtzinger felt the $1,500 fee was rather high for the service they had provided. Mr. Robinia commented that the flows on the reports seem to be very consistent and the only high one was on Saturday.

Mr. Robinia noticed a UP&V credit application was included in the MOI report. Mr. Holtzinger said if they had gone more than 30 days without payment he could understand why they might need it. Mrs. Krueger mentioned there had been times when the District had major problems with calibration and they came out to take care of it. UP & V is the company that provided the pumps originally. Mr. Holtzinger did not think the District needed a line of credit with them, so they agreed not to complete the application.

New Business – Mrs. Krueger reported she received information for Utility Board Training and asked if anyone wanted to go. This training was similar to a meeting that Mr. Robinia and Mr. Watkins had attended, but she felt it was geared toward members just beginning. Mrs. Krueger felt it would be good for new Board members to attend. Mr. Holtzinger was not sure if he could attend, but may consider it. Mrs. Krueger asked that they get in touch with her if they want to attend.

Old Business – *Emergency Response Plan* – The Emergency Response Plan had been tabled from last month. It was determined that this plan would be discussed at the beginning of the meeting next month. They all agreed it needed to be reviewed and updated. Mrs. Robinia said they could always change the agenda and discuss it later in the meeting if the public is in attendance.

Request for Proposals – Mr. Watkins asked if they wanted the RFP sent, where, should it be published and what dates. Mrs. Brabec felt they should publish it and since MOI is the current vendor they could send it. She said the proposal could be opened at the June meeting, taken into record and they could decide if they want to renew. Mrs. Krueger reminded the District Board that she will not be here for the July meeting.

Adjournment – Mr. Robinia adjourned the meeting with the next meeting being held May 5, 2010.

Respectfully submitted,

Robert Watkins

Robert Watkins, Secretary