Blue Lake Conservancy District

November 2, 2020

Board Meeting

The November 2, 2020, Board meeting of the Blue Lake Conservancy District was called to order at 7:03 pm. Due to Covid 19 issues, the meetings was held in the large meeting hall of the Blue Lake Association building. Board members Don Greve and Vince Simmers were present along with Treasurer Darlene Ramus. Director Steve Shrock was absent. Andrew Grossnickle, counsel, was also present. Finance Clerk Randy Grawcock, CPA, was not present due to Covid exposure. Freeholder Kurt Bradtmiller was present along with his father, Brian.

The meeting opened with a call for approval of minutes for the October 5, 2020, board meeting. Motion by Simmers, Seconded by Ramus, to accept the minutes as written. Motion passed.

The Treasurer’s report was presented. The Monthly Recap Report was the first report presented with an opening Checking account balance of $203,387.78 and $29,791.57 of incoming receipts. $63,429.32 was disbursed during the period, leaving an ending checking account balance of $169,750.03. Adding the CD balance (held at Farmers & Merchants Bank) of $102,349.49, brings the Current Funds total to $272,099.52. Motion by Simmers, seconded by Greve to accept the report. Motion passed.

The Accounts Payable Voucher Register was then presented for a total outlay of $63,429.32. Waterman noted that a large outlay ($37,929.07) was to purchase a generator to operate the large lift station in the event of extended power failure. This is part of the BLCD’s desire to improve the infrastructure. Motion by Simmers, seconded by Greve, to accept the report. Motion Passed.

The 2020 Disbursements Report was presented next and showed budgeted amounts to the expended amount per line item. Month to date expenditures total $63,429.32, month to date receipts total $29,791,57 wile YTD expenditures are $376,054.91 and YTD receipts are $360,297.00. Waterman explained the various line item differences with the annual budget and YTD expenditures on several items but the largest disparity was the $20,816.67 difference of expected processing costs to the Town of Churubusco that has NOT been incurred. MS Hamilton thought it was due to the dry weather and the reduction of inflows and infiltration (I&I) work done by the BLCD. A motion was made by Simmers, seconded by Greve, to accept the report. Motion passed.

The BLCD Profit & Loss Report was then presented detailing the postings to the General Ledger accounts and showing ($33,578.90) for the month. The significant negative “net income” is due to the expense of the generator as previously mentioned. Motion by Simmers, seconded by Greve to accept the report. Motion passed.

The Wastewater Adjustment Report was the last of the Finance reports presented and represents a correction of certain incorrect postings to the Keystone billing system back in September 2017. FC Grawcock has been reviewing individual entries for several months. This represents one of the last expected corrections. The request represents 5 different Freeholder accounts for a net correct of $58.27. Motion by Simmers, seconded by Greve to accept the Wasterwater Adjustment amount and report. Motion passed.

President Waterman then shifted to ask for Freeholder Kurt Bradtmiller to make his issue known. He relayed, along with comments from MS Hamilton, that he is building a new home on Sheldon Lane and his builder had failed to get a sewage permit per the requirements of the BLCD. Waterman asked Grossnickle the applicable charges per the Rate Ordinance and Grossnickle relayed that the new Freeholder would be required to pay the applicable tap fee of $2000. Waterman asked that the payment be made within 15 days of this approval date. MS Hamilton detailed the system and had appropriate paperwork to evidence the approval. Waterman signed the permit as requested.

Ms Hamilton then offered his monthly report. He detailed that in early October, three pumps were required to be replaced, utilizing previous inventory and requiring restock. Hamilton also asked if he should attempt to rebuild a 12 year old motor. Discussion ensued and the board basically said Hamilton should use his own expertise, but that payback may take several years and with an iffy outcome, potentially better to not rebuild older motors unless positive outcome could be guaranteed.

Locates were up for the month with 31 separate “locate” requests. Ramus asked what they actually were and Hamilton explained these were the “call before you dig” via dialing 211 for outside residential work. He completes them for the BLCD area. Motion by Simmers, second by Ramus to accept MS Hamilton’s report. Motion passed.

UNFINISHED BUSINESS –

I & I Work update – there is nothing to report, but about half of the funds remain in the budget, Hamilton mentioned a delay of certain repair parts that are part of the I & I solution strategy bringing additional delays to the I & I project.

Campground Review – BlueLake Campground –The board approved, through a motion by Simmers, second by Greve, that a credit would be offered to the campground, and would be offset by unpaid engineering costs associated with flow meter installation that remains unpaid by the Campground. Grossnickle will prepare a letter and inform the campground of the net surplus based on FC Grawcock’s previously calculated figures and the unpaid billing for the engineering work.

Davis Campground – Waterman explained that Davis Wynn has had several issues. The first involves a refund request associated with the difference between metered flow and the previous flat rate charges going back several years. Waterman had previously responded to the email stating that the use of a flow meter did not now give Davis Campground the right to recalculate previous charges. The board decided unanimously, based on a motion by Simmers, and a second by Ramus, that a letter would be sent from Grossnickle detailing such. This letter should detail at least two different facts: 1 – Davis Wynn contends that the BLCD did not “approve” the Davis Campground’s use of a flow meter; however, per statute, approval is not a requirement, rather a campground is required to notify the Conservancy of their desire to use one method over another; and 2) Minutes from the May 2, 2016, detail that Davis Campground had no money for a flow meter, thereby negating Wynn’s contention that the BLCD would not “approve” their usage of the flow meter.

As was done previously, Waterman, Ramus and FC Grawcock will work together on Davis Wynn’s other billing charge issues to determine an appropriate outcome and resolution. Grossnickle relayed that any such work should not go farther back than the original Appeal process that finalized in May 2016.

Lift Station Updates – Simmers provided a detailed estimate of charges from RiverCity Electric in the purchase of a Generex generator for back up electrical power for the large lift station. The original quote added sales tax which was later removed as it isn’t applicable. The generator will be installed in the future and will hopefully include a 7 year warranty which Simmers is trying to secure based on previous conversations with RiverCity. This quote does not include installation which is estimated at another $6000. Simmers also mentioned that the quote included $2600 for a concrete pad and he is trying to reduce that cost while also determining the appropriate size for the pad to perhaps be expanded so future workers would be on concrete versus the base ground.

MS Hamilton is working with NIPSCO to get the natural gas line arranged for the use of the generator. Expected outlay is $55/month plus usage with no charge for the actual line.

CRZ Properties – Waterman asked for a status update from Grossnickle who relayed that Zeigler’s attorney and he had been working together and he hoped for an amicable solution. Waterman relayed that she was distressed to see that the BLCD had made a promise to get information to Zeigler within two weeks of the last board meeting and had failed. Obviously Covid issues have occurred which made satisfaction difficult, but Ramus was adamant that we must fulfill our promises. Waterman took responsibility and said she agreed completely. Grossnickle received all information needed to satisfy the documentation request of Zeigler. Waterman asked that the documentation get sent to Zeigler and his representative pronto. Grossnickle agreed.

NEW BUSINESS – Elliott Property – This item was put on the Agenda this month due to discussion which occurred at the previous month’s board meeting. After much discussion, Simmers agreed with Hamilton that the billing was appropriate given that the property had a special “duplex” operating system covering three properties. This is the only known “duplex” system in the BLCD system. As Ramus mentioned, the infrastructure is in the ground and requires continued payment in satisfaction of the bond payment and operations. Waterman suggested a letter be written by FC Grawcock, with documentation about the addresses, so that future conversations could reference the board’s decision. The billing is appropriate for the Elliott properties.

Building – It was noted by Waterman that the Blue Lake Association (BLA) had come forth and was offering the Blue Lake Association Building for sale (and associated office space currently rented by the BLCD along with approximately 2 acres of land surrounding the building).

Waterman noted that the current rent payment paid by BLCD is $600 monthly, $7200 annually. There is also the potential for additional rental income via the reception hall and boat storage. Simmers relayed that he didn’t think the BLA had the legal right to sell the property and relayed he had assisted a landowner in the pursuit previously and found that the property was considered “public land” or something to that effect.

Ramus asked several questions regarding the upkeep responsibility and then relayed that she had spoken with previous board members and was of the opinion that the BLCD may not be allowed to purchase REAL assets (like equipment, real estate) given the outstanding balance on the public bond. Grossnickle relayed that he had attempted to find clarity in the statutes but did not and suggested Jeff Rowe, municipal consultant with Baker Tilly and long time consultant to the BLCD, would be the best resource to ask. Waterman will contact Jeff to determine if the BLCD can actually purchase real estate and under what parameters. It was noted that an Executive Session may be called to review the information prior to the next board meeting.

Garrison – Waterman presented as new business, a letter received from Freeholder Kenneth Garrison requesting relief from paying monthly sewer rates over the winter months while his lakefront trailer is unused. Ramus responded that our system is reliant on continued payment for upkeep and there are many persons here during the summer season who leave for the winter who pay all year through. Grossnickle relayed the Use Ordinance dictates how the system operates and that is a full time, year round commitment. Greve responded that turning off and winterizing your house doesn’t negate the requirement for monthly payments based on the original bond issue. Simmers agreed and said the entire system would default if everyone stopped paying during the winter months. Waterman noted Garrison requested a response in writing and asked Grossnickle to work with FC Grawcock to get a letter to Garrison explaining the BLCD’s position.

There being no further business, the meeting was adjourned at 9:00 pm on a motion by Simmers, and seconded by Ramus. Motion passed.

Respectfully submitted by Lisa Waterman

Approved this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2020, by:

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