

**TOWN OF CEDAR LAKE, LAKE COUNTY, INDIANA
MINUTES OF THE UTILITY BOARD**

October 19, 2021

**Public Meeting Advertised for 6:30 PM
Conducted at the Cedar Lake Town Hall
Pledge of Allegiance & Moment of Silence**



Roll Call:

Present	Robert H. Carnahan Board Member	Ward 1	Present	Colleen Schieben Board Member	Ward 6
Present	John Foreman Board Member	Ward 2	Present	Richard Sharpe Board President	Ward 7
Present	Julie Rivera Board Member	Ward 3	Present	Jennifer N. Sandberg, IAMC Clerk-Treasurer	
Present	Ralph Miller Board Vice President	Ward 4	Present	Rick Eberly Town Manager	
Present	Randell Niemeyer Board Member	Ward 5	Present	David Austgen Town Attorney	

NEW BUSINESS

1. Approval of Minutes – September 21, 2021

A motion to accept and waive the reading of the minutes was made by Randell Niemeyer with second by Colleen Schieben. Roll call vote: Carnahan – Yes, Foreman – Yes, Rivera – Yes, Niemeyer – Yes, Schieben – Yes, Miller – Yes, Sharpe - Yes. Vote: 7 - 0.

2. Adjustment to the Lake Dalecarlia Regional Waste District's Capacity Billing Costs

Mr. Eberly stated they have discussed this at the last couple of meetings. He and Sue have had a chance to meet with the folks from Lake Dalecarlia. They met a couple weeks ago to discuss what the Town is trying to do. The Town wants to bill with the correct numbers. The numbers being used are frozen from 2015. The debt service is frozen at \$57,007. The other is the operations and maintenance which is frozen at \$47,198. The operations and maintenance costs as of last year was \$60,000. The debt service as of last year was \$43,040.13. We use their flow rate as measured at the flume. That's a percentage of the Town's total flow. They are roughly 4% of the flow into the treatment plant. That 4% is multiplied by the monthly operations and maintenance costs and against the debt service costs to come up with most of the billing. The other two components are a \$3.00 per connection charge and \$0.50 per resident for administrative costs. They aren't looking to adjust the rates just updating to the proper costs for operations and maintenance as well as debt service. Sue did an analysis and had the Town been billing at the proper rates for the first seven months of the year, they would have been billed an additional \$240. It's not a lot of money but it should be corrected. No one knows why it was frozen at 2015 costs. There is an annual true-up from Lowell and Cedar Lake has never billed Lake Dalecarlia for that. He's not looking to go backwards, just wants to move forward. JMOB met earlier today. They are hoping to get more updated or month by month billing numbers from Lowell. If they continue to get them annually, they'll continue to have true-ups. Mr. Niemeyer asked Nicole from Lake Dale if she was comfortable with the discussions. Nicole answered in the affirmative. A brief discussion continued.

A motion to approve the adjustments was made by Julie Rivera with second by Ralph Miller. Roll call vote: Carnahan – Yes, Foreman – Yes, Rivera – Yes, Niemeyer – Yes, Schieben – Yes, Miller – Yes, Sharpe - Yes. Vote: 7 - 0.

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Mr. Niemeyer briefly discussed making sure the annual meeting stays on the calendar.

3. Lakeview Business Park Water Recapture Agreement

Mr. Eberly stated the numbers are ready and have been approved. He's not sure if David has any changes. Mr. Austgen stated he hasn't finished that but his understanding is a policy was to be developed. Mr. Eberly stated his recollection is they would go with what statute describes. Mr. Austgen stated the statute is discretionary. He was looking for some guidance. Mr. Niemeyer stated they need to make something here. They have a draft agreement from Mr. Bultema's attorney and he appreciates the proactive approach. The Utility Board hasn't been when it comes to discussing what kind of objectives they're looking for. He thinks they want these agreements to yield results they're after. He discussed the why for having recapture agreements. Mr. Niemeyer asked about the sunset for agreements like these. Mr. Austgen stated one is ten and one is fifteen. Mr. Niemeyer asked about requirements by law at the end of such agreements. Mr. Austgen stated there is no recoupment after the ending of such agreements. Mr. Niemeyer discussed outlining ideas and creating something to help spur the growth of the utilities. They need to take a partnership approach. Mr. Austgen discussed the lack of tools for large development partnership contributions in lieu of. He discussed the Lennar contribution. That vehicle was given by a PUD. Nearly every development hereafter will be PUD type developments. Mr. Niemeyer asked if they would be going back to an ala carte policy. Mr. Austgen stated some of it is. He voiced his surprise at seeing such a document from the developer given other aspects. Mr. Niemeyer stated this puts all the risk on the developer. A very lengthy discussion continued on the lack of progress regarding policy development.

Mr. Eberly discussed recapture agreements in the Town of St. John. There are straight line recapture agreements and there are others that come with a pillow so to speak if they don't recapture. The developer here is offering to take the risk on their end. There is no ask to be made whole at the end. You can offer more if you wish. Mr. Niemeyer discussed incentivizing developer-built infrastructure. He continued to discuss development partnerships. A lengthy discussion continued on development of a base policy.

A motion to defer was made by Randell Niemeyer with second by Julie Rivera. Mr. Austgen stated he doesn't want to leave this discussion without reminding them of all the considerations that need to be made. Mr. Niemeyer discussed reviewing the laws that have been adopted over the last few sessions as well as what may come. A brief discussion continued on the development of a policy. Roll call vote: Carnahan – Yes, Foreman – Yes, Rivera – Yes, Niemeyer – Yes, Schieben – Yes, Miller – Yes, Sharpe – Yes. Vote: 7 - 0.

4. Written Report

- a. Fund Report - Clerk-Treasurer Sandberg stated the cash and expenditure reports were previously sent out. She has nothing new for them at this time.

5. Consultant(s) & Staff Report(s)

- a. Engineer – NIES – Neil Simstad
 - i. West Side Sanitary Interceptor Update – The IDEM permit has been updated. The recommendation going forward would be to do value engineering through the end of the month. They would advertise in November, award the project in January, and start construction in late February, early March. If acceptable, they will move forward. Mr.

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Niemeyer pointed out since the creation of the Utility Board, there has been a lot more stuff going on. He stated they need to continue the urgency on these things. A brief discussion continued. The CSX railroad permit is a five-year permit. They are fully compliant to continued.

- ii. West Side Sanitary Interceptor Phase 2 Update – The project is on schedule. They have submitted revisions for the easements and are coordinating with Dave's office.
- iii. East Side Sanitary Sewer Inspection Update – Notice of award has been signed and contractors are processing their bids and insurance to move forward.
- iv. SSES Update – Mr. Simstad stated he spoke with Mr. Perez and they are working on the remaining videos. They are collecting data on a weekly basis.
- v. Utopia Subdivision Water Main Replacement Design Engineering Update – No update.
- vi. Risk and Resilience – Mr. Jones is working on this with Rick. It is on schedule and on task.
- vii. Lighthouse Well Watermain Update – The transmission main has a new revised route. They have completed about 70% of the data collection. Survey will be done by next week. They will be out to bid on schedule. Mr. Carnahan asked for a copy of the new route. Mr. Simstad stated he would get that to him. Mr. Niemeyer asked when it might be consideration for the SRF. Mr. Simstad stated once everything has been submitted to the SRF and they approve the PER, the award has to be approved by the IFA. He believes their funding is March 2022. Mr. Niemeyer discussed going in with one big issuance of debt for the water project and the eco-system project. It was discussed to see if the timing would work out. Mr. Austgen stated they are relying on the SRF. He was informed by Tim Berry that the project does not qualify with the SRF. It doesn't provide the water quality benefit or meet the terminology. There is a conference scheduled for tomorrow to updated Mr. Berry and clarify the project. Mr. Simstad briefly discussed the priority of projects on the east side. Mr. Eberly stated through a collaborative effort with Neil and staff, they found a route for the water main that is entirely within Town owned right of way. Schillings was a cooperative partner. A brief discussion continued on the water main project and the Lighthouse wells.

b. Director of Operations/Superintendent

- i. Operation & Maintenance Report – Mr. Kubiak was not present.
- ii. Sump Pump Inspection Progress – Mr. Eberly reported the appointments are being made to start inspections next week. They hope to use Town personnel for the inspections. They believe paying overtime will be less expensive then paying independent contractors. They hope to do three inspections per hour. He stated they are looking to put teeth in the inspection process. He's not certain they have anything to force the inspection of sump pumps. He just sent them all a few thoughts and what the current code shows for fines/penalties related to illegal discharge. Mr. Foreman discussed having a good exhibit for homeowners that discusses why this is necessary and they only want to correct not punish. Mr. Eberly asked Mr. Austgen to review what he sent. Discussion continued on the inspections.

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Mr. Simstad stated for the Diamond Peak issue discussed previously, they requested 25 to 30 sewer taps. They reviewed the downstream system within Lynnsway and Lift Station #11. They can accommodate those 30 taps.

- c. Town Attorney – The water rate system development charge is still in discovery mode. They are in the case management schedule.

- 6. JMOB Report** – Mr. Eberly stated they had a JMOB meeting this morning. They reported the UV project was awarded to Austgen Electric in the amount of \$324,000. It was a little under the engineer's estimate. They approved the 2021 operating budget. They agreed the next meeting will be February 8, 2022 at Lowell Town Hall.

PUBLIC COMMENT

None

ADJOURNMENT President Sharpe adjourned the meeting at approximately 7:15 PM.

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Richard Sharpe, President

Ralph Miller, Vice President

Robert H. Carnahan

John Foreman

Julie Rivera

Randy Niemeyer

ATTEST:

Colleen Schieben

Jennifer N. Sandberg, IAMC
Clerk-Treasurer

The Minutes of the Cedar Lake Utility Board are transcribed pursuant to IC 5-14-1.5-4(b), which states:

- (b) As the meeting progresses, the following *memoranda* shall be kept:
- (1) The date, time and place of the meeting.
 - (2) The members of the governing body recorded as either present or absent.
 - (3) The general substance of all matters proposed, discussed, or decided.
 - (4) A record of all votes taken, by individual members if there is a roll call.