

MINUTES
TRI-LAKES REGIONAL SEWER DISTRICT
March 14, 2016

CALL TO ORDER

Tim Brower, President, called the meeting to order at 5 PM. The meeting was held at the Tri-Lakes District Office, 5240 N. Old 102, Columbia City, IN.

ROLL CALL

Roll call was taken. All board members were present. Others in attendance; Carol Martin, Tina Lemon, Matt Shipman with Bloom Gates Whitleather, Steve Carter with Carter Dillon Umbaugh, Clint Hawn with AirVac and Jason Gradeless with MacAllister.

MINUTES & REPORTS

The Minutes, Operations and Maintenance Reports were emailed to the Trustees prior to the meeting for review. Tim asked for any additions, deletions or questions with any of the reports. Priscilla made a motion to approve reports as presented, Ruth seconded; verbal vote of the motion carried by seven (7) to zero (0).

CUSTOMERS CONCERNS

Steve Heaston called this past month and had a good conversation with Carol concerning Mike Seigel bidding on the maintenance contract. Carol shared his concerns with the board before they took a vote on accepting any of the bids.

NEW BUSINESS

Jason Gradeless with MacAllister introduced himself and presented a bid for the preventive maintenance contract on the generators. He explained a little bit about the service and past history of MacAllister with Tri-Lakes Sewer District. Evapar had submitted a bid earlier for the contract which allowed Carol to prepare comparison sheets of the two bids. With a lot of other decisions to be made this evening Tom made a motion to table the decision on this contract until next month; Ruth seconded; verbal vote of the motion carried by seven (7) to zero (0).

The iron ductal piping in station E had a flange fail from the inside out in February. This was something that could not be detected until it failed. With station E (Big Lake) and Station F (Loon Lake) being the same age it was concluded the piping in both stations should be in the same state of deterioration. AirVac/Bilfinger presented a bid of \$4,567.84 to change out the ductal iron piping in both stations to stainless steel with the option of replacing the current filters with the clear view moisture separators, a \$6,492.32 option. The district has been changing these filters out in the stations with these two stations slated in the near future. This is a prime opportunity to have these installed while the piping was being replaced. Ruth made a motion to proceed with the changes to both stations for a total of \$11,057.16, Linda seconded; verbal vote of the motion carried by seven (7) to zero (0).

The Trustees discussed a rate increase for 2016 in light of the aging system and upcoming maintenance concerns. The board discussed what our needs might be and will make a decision at the next meeting to if they should go forward with a rate increase. Matt Shipman advised them on what is involved should they decide to go with a 7% increase instead of the 5% increase as we have had in the past.

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OLD BUSINESS

Steve Carter with Carter Dillon Umbaugh presented the final numbers for the Sewage Works Refunding Revenue Bonds to the Trustees. The district will need to utilize an additional \$391,328.41 of funds on hand to pay down the current debt of \$2,985,000 to be able to secure a lower interest rate. Current interest rate on the 2007 Bond with Star Financial is 4.75%. Old National Bank came in with a bid of 2.42% interest rate with a savings of \$193,302.74 to the district over the next 11 years. Steve Carter explained the money we are pulling from the reserve will be made back pretty quickly by the lower payments with the new bond. The new bond will have the same pay off date as before, July 1, 2027.

Bid comparisons for the maintenance contract were reviewed and discussed. AirVac/Ballinger has held the current contract for the past five years which will be expiring at the end of the May. The current monthly maintenance contract is \$17,347/month.

AirVac/Bilfinger - new bid of \$22,200/month (28% increases). Their bid included; 24/7 365 days a year for immediate response for call outs. New bid's responds time was changed from 60 minutes to 90 minutes as well as omitting the mowing and snow removal for the district. They did include the electric, phone service along with the oil & filters for the vacuum stations. These extra services amount to proximally \$3890/month for cost comparison – without these additions, it would bring the bid to \$18,310/month. Price adjusted each year based on the CPI for all urban consumers. Has "Emergency services fees" for out of scope services.

Petroleum Systems \$18,400/month- 24/7 365 days a year for service calls, with a 90 minutes response time for call outs. Grinder Pumps cleaned every two years for preventive maintenance. Price adjusted annually. Has "Emergency Service Fees" for out of scope services.

Mike Siegel General Contractor \$15,000 per/month 24/7 365 days a year for service calls. Grinders cleaned each year, does not have "Emergency Services" fees. Price adjusted 3% annually.

Jones, Petrie, Rafinski, 48 hours/per week. \$10,750 per/month w/ \$2000 startup fee. Out of cart services with a lot of the maintenance performed by other service providers and charged according for the task.

Matt Shipman advised the trustees they needed to go with the lowest bidder who is qualified and could meet the requirements of running the system. Tri-Lakes Regional Sewer District is considered a large utility consisting of both vacuum stations and grinders pits. After much discussion and several questions directed to Matt, Tom made a motion to accept Mike Seigel's bid with a five year contract, Priscilla seconded; verbal vote passed, seven (7) to zero (0).

ADMINISTRATOR UPDATES

Carol will look into scheduling a vactor truck to have the station's tanks pumps out now that spring is here. Valve replacement work from AirVac (as part of the contract) is still on going.

We stopped discharging in the middle of February. The ponds are pretty well pumped down and ready for summer.

ADJOURNMENT

There being no further business to be brought before the Board, Tom made a motion to adjourn and Sue seconded the motion. All Board members voted in the affirmative, and the motion carried. Tim adjourned the meeting at 6:55 p.m.

Sue Schroeder, Secretary