

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS FOR THE
DAMON RUN CONSERVANCY DISTRICT
SEPTEMBER 30, 2013

The Board of Directors of the Damon Run Conservancy District met at 5:00 P.M. on September 30, 2013 at the Valparaiso Public Library, 103 East Jefferson Street, Valparaiso, Indiana. Directors present were Jack Barko, George Grace, Richard Hardin, and Jennifer Beauchamp. Don Willhelm was absent. Also present were Bill Ferngren of Ferngren Law and Eric Walsh of Umbaugh & Associates.

Mr. Barko called the meeting to order and stated the meeting was the public hearing for Rate Ordinances 2013-1 and 2013-2.

Members of the public in attendance were Greg Lindy of Duneland School Corporation and Steve Sherman of Krieg Devault representing Porter Hospital.

Mr. Walsh went through a detailed discussion regarding the change in the water and sewer rates. Notably, how it will affect the Hospital and the School and the PILT. Out of District properties will be billed additional user fees on both water and sewer due to the IURC ruling. Nothing will change for annexed properties and they will be charged the prevailing user fee as well as the Special Benefit Tax. The change in the rate structure for out of district customers will have a \$0 net effect on what is paid by the out of District properties as compared to PILT. Each year the District will "True Up" the amounts paid versus the average tax bills whether they are negative, resulting in a credit, or positive, resulting in a billing. The user fees will be modified annually to reflect the change in the average residential tax bill. Mr. Walsh stressed that the rates for out of district customers will be subject to approval by the IURC on the sewer side.

Mr. Walsh explained that the City of Portage has enacted a rate increase for all users that include a \$0.42 increase for 2013 that is already in effect for the in district properties. Additionally, there will be an approximate \$0.17 increase for 2014, \$0.17 increase for 2015, and \$0.18 increase for 2016. These will remain pass through dollars direct to the City of Portage.

Rather than the board needing to enact a new rate ordinance each year, a sewer tracker will be a part of the new ordinances. This can be modified with board support, but without enacting a new ordinance.

Mr. Sherman asked the board to consider a modification to the agreements for the out of district properties to reflect the changes in the ordinance and include the true up provisions.

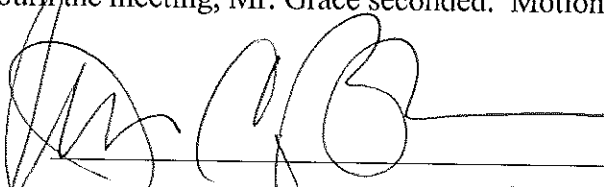
Since there were no further questions or comments from the public, Mr. Barko closed the public hearing.

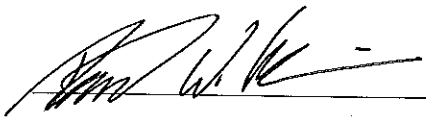
Mr. Barko asked for a motion to adopt Sewer Rate ordinance 2013-1. Mrs. Beauchamp made a motion to approve. Mr. Grace seconded. Motion carried 4-0.

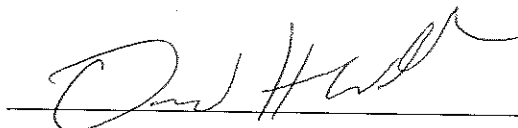
Mr. Barko asked for a motion to adopt Water Rate ordinance 2013-2. Mr. Grace made a motion to approve. Mrs. Beauchamp seconded. Motion carried 4-0.

Mr. Barko asked for a motion to begin the legal process to modify the agreements with Porter Hospital and Duneland School Corporation. Mrs. Beauchamp made a motion to approve. Mr. Grace seconded. Motion carried 4-0.


There being no further business to come before the Board, Mrs. Beauchamp moved to adjourn the meeting, Mr. Grace seconded. Motion carried by unanimous voice vote.


Printed: John C. Barko


Printed: Richard W. Haroin


Printed: Donald H. W. Uphol

ATTEST:


Printed: Jennifer Beauchamp