

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS FOR THE
DAMON RUN CONSERVANCY DISTRICT
DECEMBER 18, 2008

The Board of Directors of the Damon Run Conservancy District met at 9:00 a.m. on December 18, 2008 at the office of the Duneland Group at 1498 Pope Court, Chesterton, Indiana. Directors present were John C. Barko and Jennifer Beauchamp. Director Bernard Madej was absent. Attorney William Ferngren was present.

Mr. Barko called the meeting to order and presented the minutes of the September 19, 2008 meeting. Ms. Beauchamp moved that minutes of the Board be approved as presented. Mr. Barko seconded the motion. Motion carried by unanimous voice vote.

Mr. Barko asked if there were any claims to be paid. Ms. Beauchamp presented the claims for payment and made a motion that the claims be paid as presented. Mr. Barko seconded the motion. Motion carried by unanimous voice vote.

Mr. Barko then introduced and read Ordinance No. 2009-1 regarding the increase in the connection fee imposed by the District. Mr. Barko indicated further discussion and a vote on the Ordinance will be had during a public hearing on January 28, 2009. Mr. Barko asked if any Board members had questions. Ms. Beauchamp asked if the rate increase was a result of the District's accountants financial plan for the District. Mr. Ferngren indicated that it was. Ms. Beauchamp informed the Board she had no further questions.

Mr. Ferngren reminded the Board that the annual meeting of the District is scheduled for February 17, 2009 at 9:00 a.m. at the offices of the Duneland Group, Inc. He further informed the Board that notice was published in the newspaper inviting nominations for the Board seat currently held by Ms. Beauchamp which expires at the annual meeting. Mr. Ferngren prepared a form nomination and informed the Board the statute requires five freeholders to sign a nomination form to nominate a freeholder to be included in the election at the annual meeting.

The Board next discussed acceptance of infrastructure improvements. Mr. Barko advised that the Board's policy is that prior to acceptance (1) the infrastructure must be inspected at the developer's expense by the District or its agents to be in compliance with the plans for the infrastructure and in good working order as determined by the District, (2) the infrastructure must be televised and air-pressure tested; and (3) the developer shall guarantee the infrastructure for a period of two (2) years following acceptance with the District in its discretion requiring a maintenance guarantee in the form of an irrevocable letter of credit or other surety acceptable to the District in favor of the District in an amount equal to twenty percent (20%) of the cost of the infrastructure. Ms. Beauchamp agreed that this policy and procedure is sound and should continue to be followed. With no further discussion, Ms. Beauchamp moved that the Board continue with this process and policies regarding acceptance of infrastructure. Mr. Barko seconded the motion. Motion carried by unanimous voice vote.

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

P:\Bill\HWE Files\14396_8 DRCD\Board\Minutes\minutes_2008-12-18.wpd