

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS FOR THE DAMON RUN CONSERVANCY DISTRICT

The Board of Directors of the Damon Run Conservancy District conducted a public hearing at 1800 on Tuesday, November 05, 2019 at the Valparaiso Utilities Building; 205 Billings St., Valparaiso IN 46383. Directors present were Jennifer Beauchamp, Jack Barko, Nick Adamopoulos and Jeff Merrell. Freeholders present were James Smith and Steve Noffke. Also in attendance was Bill Ferngren with Ferngren Law. Jen called the meeting to order at approximately 1815.

Bill opened with the Additional Appropriation Resolution 2019-3. He reminded everyone that it was needed in order to account for the incoming funds of the sewer assets. That money was not accounted for in the budget and therefore needs to be tracked accordingly in the ledger. The floor was opened for comments and questions.

Mr. Smith asked if any of the board members were residents and why now for the sale. Nick answered that himself, Neal and Jeff are residents. Jack added that Nardo owns land in the district as well so everyone has a stake in the sale. Nick explained that the sale has been in the works for years. It wasn't until recently that the bonds were callable and Valpo expressed their interest. Valpo would in-turn also be able to negotiate a much better rate than the DRCD. Mr. Smith inquired what our current rate is. Jack thought it was BBB+ and Valpo is at least AA+.

Mr. Smith asked, why not just stay with what we have and be done in 10 years. Jack said it was to get the costs down as fast as possible for the freeholders. There is a large savings by going forward with the sale. Baker Tilly performed a very thorough analysis on how to move forward. Mr. Smith was told to send an email and either Baker Tilly or Jen would respond with the exact numbers.

Mr. Smith asked how often the new budget and user rates would be reviewed. Jen stated they are required to do so annually.

Mr. Noffke questioned if it was true that the rate with Portage was locked in until 2030? Bill told him the Agreement with Portage was extended an additional ten years and the rates will be charged in the same manner always by Portage to DRCD.

Mr. Smith asked if we felt this was in the best interest of the freeholders. The entire board agreed that it is in the best interest of everyone. We are all paying the same taxes. This not only relieves a large financial burden, but also will provide customers with the exceptional service that VCU can provide.

Mr. Noffke asked if a letter was ever sent out to inform the freeholders of the VCU acquisition. Jack stated that not only was a letter sent out, but it was published on the DRCD webpage.

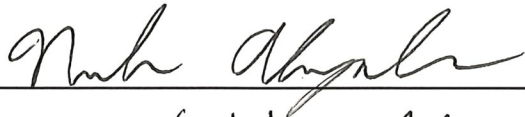
Mr. Smith said he had attended the meetings at the VCU meeting on October 8th and wished the DRCD board would have spoken up to answer questions. Nick said that he would try and put together a 1 page FAQ to distribute to the freeholders. This should help answer many of the questions and concerns that people may have.

Nr. Noffke stated he heard Chesterton was getting involved. Bill explained that Valpo had filed a petition for territory with the IURC. Chesterton, hearing of this, has intervned but it is not real clear on what they want.

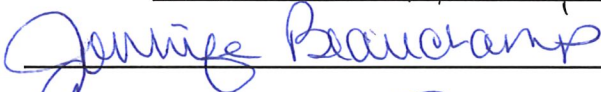
Mr. Noffke then asked if Chesterton has made an offer. Bill answered that no they have not.

Jen made a motion to adopt Resolution 2019-3. Nick seconded. Motion carried by a unanimous voice.

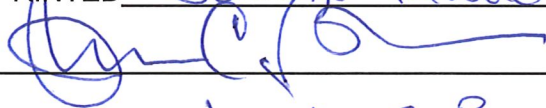
No further business was noted and Jen moved to adjourn the public meeting at approximately 1843. Nick seconded. Motion carried by a unanimous voice.



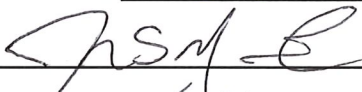
PRINTED Nicholas Adamopoulos



PRINTED Jennifer Beauchamp



PRINTED John C. Barco



PRINTED Jeffrey S Merrell