

**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 meeting at 17:00 on Tuesday, October 15, 2019 at the Valparaiso Public Library; 103 Jefferson St., Valparaiso IN 46383. Directors present were Jennifer Beauchamp, Neal Wilhelm, Nick Adamopoulos and Jeff Merrell. Also in attendance was Bill Ferngren with Ferngren Law and Eric Walsh with Baker Tilly. Jennifer called the meeting to order at approximately 17:02.

Bill introduced and the Board discussed Resolution 2019-2 for the water asset refinance and sale of the sewer assets of the District to the City of Valparaiso as provided for in the Resolution. Bill noted two key items:

- Principle amount not to exceed \$4,850,000.00.
- Bond interest not to exceed 4%.

It was noted that the current bond rate is around 6%. Bill stated that Steve Poulos, Utilities Director for the City of Valparaiso, mentioned the City was ready to move forward. After discussion and unanimous consensus by the Board, Nick made a motion for a second reading of Resolution 2019-2. Jeff seconded. Motion carried by a unanimous voice. Following discussion by the Board, Jennifer motioned to adopt Resolution 2019-2. Jeff seconded. Motion carried by a unanimous voice (4-0).

Bill introduced and the Board discussed the Appropriation of Resolution 2019-3. The Resolution authorizes the funds provided for in the Resolution as part of the District's budget. A public hearing is set for November 5th 2019 at 6pm to consider adoption of the Resolution at:

Valpo Utilities Building
205 Billings St
Valparaiso, IN 46383

Portage has given their consent for Valparaiso to take over the sewer assets and maintain the ongoing contract. Portage will operate on a 10 year contract with 5 year extensions thereafter. A "boundary line" will be set at Indiana 149 preventing Valparaiso from expanding west and Portage from moving east. Bill provided two documents pertaining to the Portage Agreement. An Addendum for the extension of the term of the sewer reimbursement district as part of the Portage agreement was presented. After discussion, the Board approved the Addendum. A Second Addendum regarding the foregoing terms was presented. After discussion, the Board approved the Second Addendum. The booster pump/easement at Sunset Hill Park was brought to light and going forward after the sale they will see the same \$12 per bill as well as a special usage rate for being an outside the district customer. Neal questioned how they are to be billed. Bill stated they will need to pay Valparaiso, then Valparaiso would pay the district. If a contract is not drawn we will need one. Bill will check for an existing contract. If he does not find one, he will contact Walter Lenkos, the Director of the Porter County Parks Department.

Eric stated Baker Tilly went out to 3 underwriters and 2 responded: Stifel and Hilliard Lyons. Eric discussed the fee structure of each and the difference between "private placement" and "negotiated underwriting". Fees are as follows:

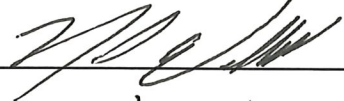
	<u>Hilliard Lyons</u>	<u>Stifel</u>
Private Placement:	\$21,000.00	\$23,000.00
Negotiated Underwriting:	\$12,000.00	\$14,000.00

Neal questioned, which company has more influence. Eric stated both companies are well known and have held the 1st and 2nd place standings over the last 2 years. Jennifer asked if one was easier to work with and Eric said that both are equally easy to work with. It was noted that the district had ultimately budgeted \$37k for the underwriting (\$22k + \$15k for a rating if needed). Ultimately, the decision was made to go with the cheaper bid. Nick made a motion to go forward with Hilliard. Neal seconded the motion. Motion carried by a unanimous voice. Jennifer to notify Eric via email of our decision. Eric said he would call Hilliard in the morning so that they could start working. Resolution 2019-2 was signed by all board members present.

New business was discussed. Neal brought up the failed lift station and asked to be given the contractor's name and how much we paid. Jennifer to get Neal that information. Neal also stated he would like to look at the tracking of Jack's hours and pay (management agreement) at the next meeting on October 23rd.

Next meeting scheduled for October 23, 2019.

No further business was noted and Jen moved to adjourn public meeting at approximately 17:45. Nick seconded. Motion carried by a unanimous voice.




PRINTED Neal Wilhelm



PRINTED Nick Adamopoulos



PRINTED Jennifer Blanchamp



PRINTED JOHN C. BARCO