

Town of Russiaville, Indiana  
Public Hearing on New London Sewer Rates  
Russiaville Town Hall  
September 10, 2018

Council Present – Jeff Lipinski, Don Parvin, Rob Hewitt, and Kyle Parvin

Jeff Lipinski opened the public hearing.

Jeff Lipinski said there would be no rate increase for the New London service area due to the project of running the sewage line from New London to Russiaville. This is unheard of and unbelievable. The county forgave some of the debt. Jeff stated that Steve Brock who was present worked really hard to get money for this. Therefore, there will be no new rate ordinance tonight, because the rates will stay the same.

Vince McAninch, a New London resident, asked if the rates would stay what they are now for a while. Jeff Lipinski said he did not know this. He stated we would review the rates just like we do for Russiaville. Jeff Lipinski said this was simply amazing. This is over a million-dollar project, there is no rate increase, and all of it but \$289,000.00 got paid for.

Steve Brock was present to talk about this. Steve submitted his final rate report to be able to submit to the State Revolving Loan Fund to justify the numbers to be able to close on the loan to show that we have our rates to the point that New London service area will produce enough revenue to pay the ongoing expenses, annual expenses of operation maintenance, repair replacement, debt service on the existing debt, and debt service on the new debt that we will close on with the State Revolving Loan Fund. The total project is \$1,325,000.00. We got a \$500,000.00 grant from OCRA, and a \$536,000.00 grant from SRF. We are borrowing \$289,000.00, this will be over a 20-year period at 2% interest rate. The pre-closing for the loan is September 11, 2018. Mr. Brock stated that bond council for the loan, Zachary Klutz, was present and himself and Mr. Klutz would be happy to answer any questions about this.

Vincent McAninch, resident of New London, asked about running the line from New London to Russiaville. Mr. Brock said it was cheaper to run a line like this than to replace the plant at New London. As Mr. McAninch asked more questions

pertaining to this, the council told him that Mr. Brock was not really the right person to ask as he was only dealing with the money end of things. Don Parvin said the engineer on the project would hopefully be here at the September 17<sup>th</sup> meeting and could answer all these questions better.

Mr. McAninch thought we should notify the people of New London that there would not be a rate increase, and that it was not easy to get this to happen.

Brian Newlon, a resident of New London, asked for a brief history of how this project came about. Don Parvin gave everyone a quick overview of what had been transpiring since the early 90's to now.

Pleamon Hewitt, who lives between New London and Russiaville, asked if the people along the route of where the line would be put had to tie on to it. Council said no, they would not make these people tie on to the line. They can if they want to but they do not have to.

Mr. Hewitt asked who was putting the line in. Council said Davidson Excavating is doing the work.

Jeff Lipinski said in the last 3 months he and Don Parvin had met with County Commissioners to try to get some of the debt forgiven. We had to come up with some of the money but they forgave the rest of the debt we had with the county.

Ordinance 2018-09 was read again. Don Parvin made a motion to pass Ordinance 2018-09 on the second reading. Rob Hewitt seconded, and the motion carried with Don, Rob, and Kyle voting for passage.

Don Parvin made a motion to suspend the rules and pass ordinance 2018-09 on third and final reading. Rob Hewitt seconded, and the motion carried with Don, Rob, and Kyle voting for passage.

Ordinance 2018-10 is not needed as there is not rate increase at this time.

The payoff letter of agreement regarding the Town of Russiaville subordinate sewage works revenue bond series 2009A purchased by Howard County Indiana signed by Paul Wyman and Jeff Lipinski.

Zach Klutz from Taft said there is a pre-closing meeting tomorrow with Steve Brock, Megan Reel, himself, and the SRF.

Zach Klutz said there was a lot of work that was unforeseen when this was started. He said his original fee was \$20,000.00, and now they will need \$8,750.00 more to complete everything.

Kyle Parvin made a motion to accept the additional \$8,750.00 that will be due to Taft for a total of \$28,750.00 for bond fees. Rob Hewitt seconded, and the motion carried with Kyle, Rob, and Don voting for passage.

Rob Hewitt made a motion to adjourn. Kyle Parvin seconded and the public hearing closed.

Jeff Lipinski – President

Megan Reel – Clerk Treasurer