



CAPITAL & CONSTRUCTION COMMITTEE

Monday, December 4, 2017 @ 4:30 P.M.

Memorandum

Present: Chair Steve Pittman, Committee Members, Eric Hand and Marilyn Anderson, also in attendance were District Engineer Ryan Hartman, Utility Director Drew Williams, Administrative Assistant Maggie Crediford, and Legal Counsel Anne Poindexter.

PUBLIC COMMENT

No one from the public was present

DEDICATION

Mr. Hartman indicated that Jacksons Grant Section 5 is ready for acceptance by the Board. The Committee will make that recommendation.

CAPITAL BUDGET

Drew Williams passed out the proposed capital budget for 2018. The District is projected to have a cash balance over the next five years. Some accounts are projected to dip into negative numbers, but there is a surplus in the Operating Budget that will be used to cover the shortages. The State Board of Accounts does not look favorably on accounts with negative balances at the end of the year. Ms. Sheeks revised the revenue projections for the next five years using numbers consisting of the past years increases. The numbers are derived from the projected 5% per year rate increase as well as a projected 2.5-3% growth rate. Mr. Williams shared that 2/3rds of the current acreage is built out. There are no large parcels left to develop. New projects will come from smaller parcels of land. However, if growth slows the expenses will slow because there will not be the costs incurred with building infrastructure.

Steve Pittman stated that he was pleased to see that the numbers in the revised budget show an increase instead of the deficit that was previously projected.

Mr. Williams stated that 2017 had two large projects. Spending was up more than in previous years. The Operating Fund has a reserve if something were to go wrong or if the District were to issue bonds where a 6-month reserve account is required.

Mr. Pittman asked if the Budget & Finance Committee was ok with the proposed budget.

Mr. Williams stated that Carl Mills was more comfortable with the budget after seeing the future years' fund balances.

Mr. Williams recommended submitting the capital budget to the Board for approval with the understanding that if changes need to be made, the staff would come back to the Committee to revise the budget.

Anne Poindexter stated that the Committee should take into consideration that there may not be a need for a 5% increase in rates each year even though it is factored into the budget projections for the next five years.

Mr. Hand said that some years the rate increase could be reduced rate to 3-4% or even skip a year if there is a large surplus.

Mr. Williams stated that if the Capital Budget is approved it doesn't mean that a rate increase is approved. The proposed rate increases for July will be discussed later.

On a motion made by Steve Pittman and seconded by Eric Hand to recommend to the Board that the proposed Capital Budget be approved.

Approved 3-0

Mr. Williams informed the Committee that Wes Merkle is working with the contactor and Mr. Johnson regarding the concerns at his property along Spring Mill Road. The District is drafting a letter on the matter.

NEW BUSINESS

There was no new business.

CAPITAL PROJECT UPDATES

Ryan Hartman

#1601- the 106th Street Parallel Force Main project is nearing completion. Staff is waiting on documentation from the contactor, Reynolds, regarding the change orders. There is no update currently.

#1701-WWTP Post Treatment Improvements- Design and permitting work on the plant outfall project continues. The District is working with the property owners along Cemetery Creek to address their concerns about the project.

#1702-Keystone and 96th Street Sewer & Force Main Relocation- When the City of Carmel acquires the easements and right-of-way needed to complete the work bids for the sewer relocation along 96th Street and Keystone will be received.

#1705-0- 99th Street Sewer extension & Lift Station 6 Elimination- Design work is on hold until the developer resolves the wetland and drainage issues. Design and construction is anticipated for 2018.

#1707- Neighborhood Sewer Projects the District is in the process of working with homeowners to gain the easements needed. Bids for sewer extension project should be received in December. Staff is working on easement acquisition along 116th Street. The project includes Autumn Woods, West 116th Street, Williams Creek Manor, Spring Mill Place, and Spring Mill Heights.

#1801-Lift Station 4 Elimination and Jackson's Grant sections 2 & 6 oversized sewers. Staff is working with the Jackson's Grant developer and engineer on the design of the final two sections of interior interceptor sewer installation. The section northeast of LS 26 will allow taking LS 4 offline. CTRWD will separately design, bid and construct the sewer across the Book property. Construction is anticipated in 2018.

Ms. Anderson asked if the District has a hand out for homeowners explaining the costs of connecting to sewers. She said it would be beneficial to have a handout that explains all the costs that would be associated with connecting and exactly what those costs cover. She believes it could help people understand the process better.

Staff will prepare a more detailed project letter.

2018 C&C MEETING SCHEDULE

The Committee decided that the first Monday of the month is good.

Mr. Williams stated that the first Monday in January 2018 is a holiday. The Committee agreed to meet on Tuesday January 2, 2018.

Meeting adjourned at 5:35 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ryan Hartman', written over a circular stamp.

Ryan Hartman
District Engineer