

The Tippecanoe Chapman Regional Sewer District Board met in regular session on Monday, September 8, 2025, at 6:30 pm at the North Webster Community Center and via Zoom at: https://us02web.zoom.us/rec/share/db3Whh2ST4aS-9bQrzkDucUp6LzutkDliM6gwUq482KQQp0otxHxcNfJCUYxB0Py.mQYPB8v-SzEa_918

MEETING ATTENDANCE: Jeff Thornburgh, President, called the meeting to order at 6:30 pm, and the Pledge of Allegiance was given in unison.

ROLL CALL:

TCRSD Board: Jeff Thornburgh, Brian Davison, Edward Ormsby, Bob Weaver, and Jacob Yahne

Absent: Kim Hathaway and Neil Myers

Carson, LLP: Andrew Boxberger, Esq.

JPR: Steve Henschen, P.E., Diana Campbell

Baker Tilly: Jeff Rowe

Astbury: Matt Rippey

1. APPROVAL OF MINUTES

Minutes from the August 11, 2025, Monthly Board meeting were presented. Brian Davison made a motion to approve the minutes from the August 11 meeting. The motion was seconded by Jacob Yahne. The motion was approved unanimously.

2. APPROVAL OF FINANCIAL REPORTS

a.) Monthly August 2025 Financial Report and Bank Reconciliation

Jeff Rowe reported the total cash at the end of August 31, for the District was \$2,174,873.22. Total bonded indebtedness \$39,001,000. Total operating receipts to date \$1,877,627, compared to \$1,670,700 budgeted. Total operating disbursements were \$1,018,360 compared to \$875,500 ahead of budget in terms of spending. Total cash at the beginning of the year was \$4,995,783, with an ending cash balance of \$2,174,873.

Comparison of account balances, minimum balances as required by the Bond ordinances, beginning balance of \$2,174,873, minimum balance required \$1,030,812 for a positive variance of \$1,144,062

b.) Approval of Claims

Diana Campbell presented the Claims on behalf of Kim Hathaway. She stated there were 19 Claims for \$226,719.87, and 2 of the Claims were for the East Webster funding.

c.) Gemini Monthly Deposit report from August 1 to August 31, 2025

Total monthly income of \$174,109.49 with wastewater penalty of \$1,356.33 for a total wastewater collection of \$175,465.82. The deposit breaks down as follows:

- Residential \$145,107.34
- Commercial \$10,098.95
- Vacant Lot \$392.10
- Mobile Homes \$15,620.28
- Multi-Family \$1,874.79
- Public Fire \$0
- Rental \$927.68
- Educational \$0
- Church \$88.35

Edward Ormsby made a motion to approve the August 2025 financials, the Claims of \$226,719.87, and the Gemini monthly report as presented. The motion was seconded by Brian Davison. The motion was approved unanimously.

3. FINANCIAL CONSULTANT UPDATE

a. 2023-2024 Audit Process Update

Jeff Rowe reported based on the original data request, all information has been provided. There were 2 follow-up items, which were wrapped up, one of which was on the USDA proceeds.

4. OPERATIONS UPDATE

a.) Astbury Report

Matt Rippey reported that the higher capacity pump has been installed at 244 EMS T2. The homeowner was asked to meet with Astbury to test the system when he cycles his water system, but the homeowner has not responded.

The District's trailer mounted generator was delivered on August 21, and the generator receptacles on the utility power distribution panels have been completed. The generator will be used to provide power to grinder stations during power outages.

Matt Rippey reported that due to elevated levels of hydrogen sulfide that were detected in July, the chemical feed rate at Lift Station #3 increased; therefore, Astbury needed to order Nitra-Noc sooner than planned. The chemical was delivered on September 5. The cost of 1,550 gallons was \$6,758.20. Jeff Thornburgh indicated Steve Henschen and he approved the purchase, with final Board approval needed.

On August 18, the VFD for pump station #2 at lift station #1 failed. The VFD and air conditioner shorted out due to water leaking on the control panel. The VFD and the air conditioner were replaced with the District's spare. Both items were under warranty.

The total flow for the month was 4,382,600 gallons. The average daily flow was 141,374 gallons per day.

There were 18 service calls in August and 230 utility locates.

Steve Henschen indicated that Matt Rippey and he have discussed odor control at lift station #3, which serves the north side of Chapman Lake. Complaints have been received about odors coming from the lift station. Matt Rippey reported currently using Nitra-Nox, which can reduce some of the odors but does not eliminate all of them. He proposed obtaining quotes for a forced-air activated carbon scrubber for overall odor control. He indicated a forced air activated carbon scrubber was installed in Leesburg at a cost of approximately \$7,000, and included the first install of carbon. There are other options, but they do not work as good as the forced air activated carbon scrubber. Ed Ormsby stated he wants the District to do everything it can to eliminate such odors and wants to be aggressive on this issue. Brian Davison stated they have encountered similar situations in the area and agrees that the forced air activated carbon scrubber is the best solution available.

Jacob Yahne made a motion to approve the post expenditure of the chemical Nitra-Nox and carbon filter for \$6,758.00, and the purchase of the forced air activated carbon scrubber up to \$9,000. The motion was seconded by Bob Weaver. The motion was approved unanimously.

Jeff Thornburgh asked Matt Rippey to reach out to Dr. Penny and let him know that the Board is concerned about when he recycles his filtration system and wants to make sure everything is working appropriately.

5. SUBCOMMITTEE REPORTS

- a.) Finance Committee – No report.
- b.) Engineering Committee - No report.

6. ENGINEERING UPDATE

A. JPR Engineering Update

Steve Henschen reported the following:

1. Main Project:

- a. One-year warranty dates for each contract are as follows:
 - a. Contract A- July 9, 2025 - expired
 - b. Contract B- October 7, 2025
 - c. Contract C- December 24, 2025
- b. Spring warranty item punch list items have been completed by Contractors and will be making rounds to see if there are any other items to be addressed.
- c. Use of Remaining Funds-See attached status report and Selge Pay Application 25

2. Customer Connections

- a. Jen Bowman and Josh Thomas are performing customer connections inspections.
- b. JPR office hours at the North Webster Community Center on Tue, Wed, and Thurs, 9 am to 1 pm.

Date of Report

9/26.25/2025	Permits Approved	Connections Completed	Connections Expected	Connections in the last month
Chapman Lake Contract A	587 86%	567 84%	677	10
Tippecanoe Lake Contract B, West	566 85%	520 78%	665	82
Tippecanoe Lake Contract C, East	381 81%	301 64%	469	44
Total	1,534	1,432	1,811	136
	85%	79%		

c. Permit Fees report-

- a. Permit Fees received through August- \$434,350- 72% of connections completed
- b. Permit Fees in June \$31,850
- c. JPR fees incurred through July 26, 2025- \$538,944.28 - 80% of contract amount
 - a. Contract amount - \$672,000

d. Customer connection deadlines:

Contract	Start Date	Current deadline	Proposed Final Notice Deadline	Total days allocated for connections
Chapman Lake - Contract A	7/22/2024	8/30/2025	10/15/2025	450
Tippecanoe Lake - Contract B, West	10/28/2024	8/30/2025	1/21/2026	450
Tippecanoe Lake - Contract C, East	1/14/2025	8/30/2025	4/6/2026	450

- a. Through August 31, 2025:
 1. Contract A - 88 permits not received
 2. Contract B - 93 permits not received
 3. Contract C - 83 permits not received
 - b. All connections- still need 264 permits out of 1,811 (15%)
2. General Engineering Services
- a. Proposed developments within the service area
 1. Tippy Heights development on Stanton Drive construction has not begun.
 2. The Oaks on the northeast side of Tippy has done a little work, wants to sell more lots before more work is pursued.
 3. Happy Landing- individual lots are now being developed.

- b. Small Site plan reviews- county with routed through the county
Reviews performed in August 2025- 10 reviews
Section 1 permit reviews- (new customers) - 2 issued

7. CONSTRUCTION UPDATE

a. Use of Remaining Funds – Update

Report included in the Board.

b. Pay Request #26 – Selge - \$185,435.80

Steve Henschen indicated that Selge submitted Pay Application #26. Selge's work is nearly complete. Funds for this are to be paid from the Construction Budget. One final Pay Application is expected next month from the contractor. Delivery of the portable generator and all the electrical riser modifications have been completed. The Pay Application was reviewed and was found to be appropriate and the Board is asked to approval payment of Selge's Pay Application #26 as presented.

Brian Davison made a motion to approve payment of the Pay Application to Selge for \$185,435.80. Edward Ormsby seconded the motion. The motion was approved unanimously.

8. LEGAL COUNSEL UPDATE

Andrew Boxberger his agenda items will be discussed in Item 9, East Webster.

9. EAST WEBSTER UPDATE

a. Update from local group

Jacob Yahner reported receiving the grant for funding and as well as a Bond.

b. Update on SRF Funding Update

Jeff Rowe distributed a draft of the East Webster Lake Rate Study. SRF has offered a forgivable \$5M grant, and once the project is done and has met all the requirements, the grant will be forgiven. A traditional SRF loan was approved, with a low interest loan for \$1,948,000, and the Kosciusko County loan of \$50,000. SRF assumes the current subsidized interest rate of 3.13% with an extended term option of 0.30% adjustment. The overall maximum annual debt service amount will be fixed at \$95,927.05. Included in the handout were estimated annual O,M&R of \$141,500 and estimated short-term asset replacement costs of \$31,800. Steve Henschen stated that Astbury was asked to provide a proposal if they were asked to run this new system. Their quote is for about \$58,000 a year, and the line items in the Estimated O,M&R Disbursements are about \$55,000, which are items Astbury manages.

It was noted that there are two rate scenarios. Jeff Thornburgh indicated his preference is Scenario 2. Edward Ormsby asked what is the difference between Scenario 1 and Scenario 2. Jeff Rowe indicated Scenario 1 builds in the allowance for O,M&R (grinder pumps, equipment, and parts replacement, etc.). Scenario 2 barely meets the debt service coverage of 125% as it does not include O,M&R. Edward Ormsby stated the

District wants to avoid having a large rate increase, as several districts within Indiana have experienced.

c. Vote to Accept/Reject SRF Funding

Andrew Boxberger stated SRF is looking for an indication that the District is planning to move forward with the East Webster project. The District will not be bound to the grant/loan until the signing of the loan closing documents. Steve Henschen stated if the Board takes financial action on the BAN, it is a step towards financial commitment. The BAN will be paying engineers, accountants, and attorneys between now and closing on the formal financing with SRF in March. Andrew Boxberger stated the BAN will not be an obligation of the Tippy Chapman Service area as there will be 2 service areas created. The service areas are the Tippy Chapman Service Area and the Webster Lakes Service Area. This debt will apply only to the Webster Lakes Service area and will not encumber the Tippy Chapman customers.

Edward Ormsby made a motion to accept the SRF funding package for the Webster Lake Service Area. Jacob Yahne seconded the motion. The motion was approved unanimously.

d. Legal Counsel Update

- i. County Commissioners Application – Resolution for Approval
- ii. Amendment to District Rate Ordinance to Create Service Areas
- iii. Bond Ordinance
 1. BAN Discussion
- iv. Knapp Lake – Interlocal Agreement Status

Andrew Boxberger indicated that the County Commissioners, per the District's request, have accepted the application to accept the Webster Lakes Service area into the Tippecanoe Chapman Lakes Regional Sewer District area territory. He stated final approval by the Board to accept the Inclusion Application was required.

Brian Davison made a motion to approve the Application for Inclusion of Territory in Tippecanoe and Chapman Lakes Regional Sewer District. Bob Weaver seconded the motion. All board members voted for the motion except for Edward Ormsby, who abstained.

Andrew Boxberger indicated an Amended and Restated Ordinance is need to create two separate service areas. These service areas will be separate and distinct service areas. The Tippy Chapman rates would be the rates that have been charged and when it is time for the Webster Service area will have a completely different rate structure.

Edward Ormsby made a motion to approve the Amended and Restated Ordinance Amending Ordinance 2023-08-01 and Establishing a Schedule of Rates and Charges to be Collected by the District from Owners of Property Served or to be Served by the District's Sewage Works. Jacob Yahne seconded the motion. The motion was approved unanimously.

Jeff Rowe stated JPR provided Baker Tilly with estimated engineering fees and other professional fees, such as financial advisory and legal, and came up with about \$684,000. Based on the initial assessment, it is estimated at \$764,000. In terms of timing, when SRF funding is accepted, they give the last date to close, which is the State's third quarter. The project has to be designed, bids opened, rates finalized, and adopted by the end of March. If the Board decides to move forward, the sale of the BAN will be fast-tracked and will target to send a request for proposals to be sent on September 29, with proposals to be due by October 13, which is intentional for the October 14 Board meeting, and BAN awarded to the lowest bidder and move to a closing on October 27. The recommended BAN amount is \$764,000.

The Bond Ordinance is specific to the Webster Lake Service Area. It authorizes the Webster Lake Service Area and the District, through its service area, to issue permanent Bonds up to \$9,199,000 and authorizes the District to authorize a Bond Anticipation Note (temporary Note to fund the initial phases of planning and design) for the Webster Lake Service Area up to \$6,019,000).

Edward Ormsby made a motion to approve the Bond Anticipation Note Ordinance. Jacob Yahne seconded the motion. The motion was approved unanimously

Edward Ormsby made a motion for Baker Tilly to advance the Bond Anticipation Note process and Request for Proposals for the Sale of \$784,000 up to \$800,000. Jacob Yahne seconded the motion. The motion was approved unanimously.

Andrew Boxberger indicated the finalization of the Knapp Lake Interlocal Agreement is close, and it should be ready for execution at the October meeting.

e. JPR Engineering Agreement (design and construction services)

Andrew Boxberger indicated Steve Henschen has submitted the JPR Engineering Agreement for legal review. One comment is to ensure the agreement relates to the Webster Lake Service Area and that the Tippecanoe and Chapman Lakes customers are not contractually obligated. He asked if the Board is comfortable giving Jeff Thornburgh approval to sign the agreement based upon Andrew Boxberger's final review. Steve Henschen stated the agreement is a recognized standardized agreement for full design services, planning, surveying, easement assistance, permitting, contract procurement, construction administration, inspection, and post construction services. He added will work through phases and will not bill ahead. The scope of the work is similar to the Tippecanoe Chapman agreement, attendance at board meetings, coordination with North Webster and Knapp Lake, permit coordination with IDEM, county highway, and county drainage board, including scheduling and performing site visits with property owners, preparing easement agreements, and preparing easements for pump stations and mainlines. Will provide monthly updates on the progress and periodic review meetings with the Engineering Committee. The total agreement fees are \$1,075,000.

Edward Ormsby made a motion approving Jeff Thornburgh to sign the finalized JPR Engineering Agreement. Jacob Yahne seconded the motion. The motion was approved unanimously.

- f. Build, Operate, Transfer
 - i. BOT Process
 - ii. BOT Authorizing Resolution
 - iii. RFP Approval
 - iv. Scoring Committee Selection

Andrew Boxberger indicated he had sent an explanation to the Board regarding the Build, Operate, Transfer Process. He stated Steve Henschen is recommending this delivery method for finding a contractor. It is an alternative bidding process under Indiana law that allows a public body to use. Instead of posting notice and accepting bids, the Board submits a request for qualifications and proposal process, which should be issued and published as a public notice. Invites for RFP's are sent to all potential contractors. Within the RFP a scoring system is used and weighed accordingly. The Board will appoint a Scoring Committee, and the committee will bring its recommendations to the Board to accept a contractor. It would then enter into a period called the Scoping Period, which is the direct negotiation of the details and a guaranteed maximum price for the selected RFP. Once finalized, a public hearing will be held, and after the public hearing, the contract will be presented to the Board for approval. Steve Henschen indicated this process works well for the scenario that the District is in, as the project is being fast-tracked.

Edward Ormsby summarized the Build, Operate, Transfer process instead of the traditional bidding process. It has the advantages of moving quickly and having guaranteed expenses. It is a partnership with the contractor but asked that the District make sure there is good transparency with the contractor and that the contractor be vetted and there are no conflicts of interest. Andrew Boxberger indicated the scoring process will consist of the following categories and scored as follows: respondent's experience – 45 points, project methodology – 20 points, financial capability – 10 points, experience with delivery method – 5 points, scoping – 5 points, project schedule – 5 points, and additional items – 10 points. Edward Ormsby inquired if there is anything in the agreement that forces the contractor to disclose a conflict of interest. Andrew Boxberger stated Indiana Law indicates the contractor cannot have a conflict of interest and will be required to sign a non-inclusion affidavit at loan closing. Edward Ormsby asked that a statement be added to the Request for Qualifications & Proposal that the contractor has no current conflicts of interest in accordance with Indiana Law. Andrew Boxberger indicated he would add that to the Financial Capacity section.

Edward Ormsby made a motion to approve the use of the Build, Operate, Transfer approach with the addition of the Conflict-of-Interest statement to the Financial Capacity Section. Jacob Yahne seconded the motion. The motion was approved unanimously.

Edward Ormsby made a motion to approve the Request for Qualifications & Proposals (RFQ/P) approach through the use of the Build, Operate, Transfer approach, with the addition of the Conflict of Interest statement to the Financial Capacity Section. Jacob Yahne seconded the motion. The motion was approved unanimously.

Andrew Boxberger stated that a Scoring Committee will needed to score the requests. The suggested appointees were Steve Henschen, Jacob Yahne, because he represents Webster Lake, Brian Davison, because of his expertise, and himself.

Edward Ormsby made a motion to appoint Steve Henschen, Jacob Yahne, Brian Davison, and Andrew Boxberger to the Scoring Committee. Brian Davison seconded the motion. The motion was approved unanimously.

10. GENERAL DISTRICT BUSINESS

a. Mann Dream Modern Homes LLC – 2906 E. Armstrong Road – Section 1 Permit Grinder Installation

Steve Henschen stated that the property was included in the regional project, and the original owner did not sign the easement. The property has since been sold for the tax bill, and the new owner wants to be part of the project. The District has a grinder station for the owner, but where the property owner wants to put it will be an encroachment within the 15-foot easement. JPR has reviewed the request and does not have any issues with the placement and recommends approval.

Edward Ormsby made a motion to approve the Encroachment agreement for Mann Dream Modern Homes, LLC. Brian Davison seconded the motion. The motion was approved unanimously.

b. Contract A, B, and C Connection Timeline Discussion

Steve Henschen presented the proposed timelines for Contracts A, B, and C. During a planning meeting, there was a discussion about having one final extension notice, but there was concern that Contract A had a longer connection period. A suggestion was made to give each homeowner 450 days to connect. Contract A's final date would be October 15, 2025; Contract B's January 21, 2026; and Contract C's final date to obtain a permit would be April 6, 2026. Everyone will still get a bill even if they are not connected, but the goal is to have everyone on the system. This would require the homeowner to have their permit submitted and on file with the District. With Board approval, the goal would be to send the letters by September 15. Some homeowners are saying their contractor indicated they would take care of filing the permit, but in the letter, it will be made clear that either the homeowner or the contractor has to make sure they get the permit submitted by the specific date, or what is the next step.

Andrew Boxberger indicated 450 days is a healthy number of days to get a permit. The Ordinance and State Law allow the District to fine up to \$100 a day for failure to connect. The planning committee discussed that if a homeowner does not have their permit issued by the contract deadline, depending on which contract the homeowner is in, they would be fined \$1.00 a day until the permit is issued. Jeff Thornburgh asked Andrew Boxberger to be included in drafting the letter to the homeowners who do not have permits.

Edward Ormsby made a motion for Andrew Boxberger and Jeff Thornburgh to prepare the letter to be sent to all homeowners who have not applied for a permit. The letter will indicate the final deadline dates for Contract A – October 15, Contract B – January 21, 2026, and April 6, 2026, and the imposition of \$1.00 a day past the last Contract date notice deadline date. Jacob Yahne seconded the motion. The motion was approved unanimously.

c. T45A – Road Condition Discussion

Steve Henschen stated a property owner who represents the T45A area/neighborhood association, has concerns about the condition of the road after the construction. He stated that the JPR inspector has looked at the road, the contractor met with this representative, the JPR Transportation Engineer reviewed the pre- and post-construction videos condition of the road. It was determined that the road was in poor condition from the beginning, and JPR does not see any significant deterioration in the road from the project. The property owner had requested that Selge pay half the cost to repave the whole road. Selge declined. Jeff Thornburgh asked if the pre and post video had been shared with the property owner. Steve Henschen indicated it had not, but he would do that. Jeff Thornburgh asked the videos to be shared with the property owner.

d. North Center IFA Regional Planning Meeting Required for Financing – October 24 or January 2026 – one Board member to attend.

Andrew Boxberger indicated that an IFA Regional Planning meeting is scheduled for October 24 and one in January 2026. He stated that one Board member is required to attend. Brian Davison indicated he would be attending the meeting on behalf of the City of Warsaw and this Board.

e. Other Business

There was no other business at this time.

11. PUBLIC INPUT

Greg Cobb – 3722 Forrest Glen – He has been dealing with the Wastewater District on a couple of issues. He stated he is trying to raise the grinder pump and talked to the engineers in April, and they indicated no problem, just needed to get the grinder, put it on, and would be ready to go. He stated their house is under construction, and they were told they have to get approval from the County. Went to the County and was told he needed a permit. They told the County that he had a building permit and finally got the County to send an email to the District. The District then told him he had to fill out an application. He filled out the application and paid the fee. Mr. Cobb stated that it has been 3-4 weeks, and he has not heard if this has been approved. He stated he is tempted to leave it 18 inches underground and let the stormwater set on top of it. We are trying to raise it up. Jeff Thornburgh said there should be records if you contact the District office. Mr. Cobb stated he contacted the District office numerous times. He said they got the riser ordered and was told the District needed the serial number on the pump. He asked where is the serial

number was located and was told it should be under the lid. The lid is taken off, and there is no serial number. Jeff Thornburgh suggested someone go to Mr. Cobb's location to look into the situation. Steve Henschen stated he is aware of this and had he signed off on it a long time ago. Steve Henschen indicated he would follow up on this issue. Mr. Cobb stated he has 2 pumps on the property, and only needs 1 so he does not want to be fined for not hooking up to one. He stated they bought 2 cabins and tore them both down. Steve Henschen indicated he would only charged for 1 pump

Andrew Boxberger stated Jennifer Ransbottom had mentioned to him that there were some property owners still under construction, but he indicated that as long a they have the permit, they will be covered by what was approved earlier about the fines as long as permit is covered.

Steve Henschen stated that Jennifer Ransbottom responded to a text and that she had sent a note to Mr. Cobb last month, indicating he had the approval to proceed. Mr. Cobb questioned if she sent it to him at his address on his application.

Brad McDowell – Indicated he has property in the East Webster district and is very pleased they are moving forward. He indicated they are looking to build a house on the property. His concern is the placement of the lift station. He spoke to someone from Jones Petrie and understands the designs are not set in stone, but currently, the placement of a lift station is next to an access easement for the county. He also discussed during this meeting the use of carbon filters. If there is something unique with the lift station that causes higher than normal. Matthew Rippey indicated Lift Station 3 has higher volumes. Steve Henschen stated he has assured Mr. McDowell that there will not be a lift station on his property. He stated there will be a small grinder station on his property.

12. ADJOURNMENT

Ed Ormsby made a motion to adjourn. The motion was seconded by Jacob Yahne. The motion was approved unanimously. The motion was approved unanimously.

The meeting adjourned at 8:15 PM.