

SPECIAL BOARD MEETING  
REGARDING BOND INCREASE PER BIDS RECEIVED

A special meeting of the Board of Directors of the Ben Davis Conservancy District ("District") was held on Wednesday, March 23, 2022 at the District Maintenance Office, located at 629 S. Tibbs Avenue, Indianapolis, Indiana at 9:30 a.m. Those in attendance: Fred Buckingham, Chairman; Beverly Matthews, Vice Chair; Jeff Wood, Director; Angela Wirth, Secretary Finance Officer; Jennifer Hess, Counsel for the District; Micah Sarabyn, Project Coordinator; Maintenance; Jim Frazell and Dee Revnyak of Triad Associates, Inc., Steve Brock, Therber Brock Associates, LLC.

The meeting was called to order at 9:40 o'clock a.m. by Fred Buckingham, Chairman, who asked Dee Revnyak, Triad to talk about the WWTF bids received (and dated and time stamped for accuracy) to be considered for the Wastewater Treatment Plant (WWTP). Bids were received, accepted, and opened on March 17, 2022. Bids came in higher than the original revised cost estimates of the WWTP, and the Bond amount approved by the Court. The higher costs were felt to be brought about by Covid, shipping and transportation costs increases as well as record inflation. Further, the federal dollars distributed under such plans as American Rescue Plan (ARP) have caused price increases with more dollars available for infrastructure projects. None of these factors could have been anticipated at the time of the original estimates.

Mrs. Matthews, Vice Chair made a motion to accept the construction bids contingent upon the successful completion of financing. Mr. Wood, Director, seconded the motion. Mr. Buckingham, Chairman, was also in favor. With all directors being in favor, the motion passed.

**RESOLVED, the construction bids for the WWTP at 900 S. Tibbs Avenue are accepted pending successful completion of financing.**

Mr. Brock brought up whether he has authority to bid the bonds at \$24 Million instead of \$20 Million for the District. Mrs. Matthews, Vice Chair made a motion to bid the bonds contingent upon Court approval of the increase to \$24 Million in bonding authority and contingent upon the Court and the Board's approval of any amendments to the Bond Resolution and upon the Board's approval of the amendments and increased bonding amount after a public hearing or board meetings. Mr. Wood, Director, seconded the motion. Mr. Buckingham, Chairman, was also in favor. With all directors being in favor, the motion passed.

**RESOLVED, the Board granted authority to Mr. Brock to bid the bonds at \$24 Million pending Court approval of the increase to \$24 Million in bonding authority and**

**contingent upon the Court and the Board's approval of any amendments to the Bond Resolution and upon the Boards approval of the amendments and increased bonding amount after a public hearing or board meeting.**

Ms. Revnyak also mentioned a re-submittal of the request to the City of Indianapolis for a portion of the ARP funds received by Marion County to be granted to the District. Ms. Revnyak updated those in attendance with the Zoning Hearing final approval and went over the covenants and the impacts of use to the site. Ms. Revnyak also provided a revision of the commitments made to Jared Evans, Councilor, regarding the "greenspace" and "frontage" of the WWTP site.

Ms. Revnyak updated the board on the SRF application and the progress of completing the Easements requirements and guidelines. It was discussed that the District pursue the purchase of the land to the south of the office versus obtaining permission for an easement. It was decided that Mr. Frazell will look into what the owner may wish to sell for and the purchase price of the easement versus purchasing the entire parcel and then renting it back to seller as per a "Life Estate" contract.

It was also suggested that the District have Security on hand at future public hearings to prevent violence or threats given the perceived hostility at the zoning hearing before the hearing examiner.

Mr. Steve Brock stated that the new project cost was \$24,382,941 and that there were 3 financing alternatives to consider in moving forward with the sale of the Bonds. First, the project size could be reduced to \$20,000,000 - the amount of our current bonding authority. The engineers said that there was not \$4 million to cut out of the project. Second, was to borrow the full \$24,382,941. This would increase user fees over the original projections. Third, the Board could decide not to pay the District back the approximate \$1.5 million of preliminary design and legal and financial costs of the project and use approximately \$900,000 of funds on hand to bring the bond issue amount down to \$22,000,000. Mr. Brock recommended that the Board choose the third option to minimize the impact on user fees of the bond issue. Mr. Brock said he was comfortable with the cash balances the District would have on hand after using funds on hand to buy down the financing amount. The Board discussed Alternative three and voted to plan to not pay the District back from bond proceeds for preliminary construction costs and to also use funds on hand in an amount to buy the project financing amount down to \$22,000,000.

The current financing authority from the court is \$20,000,000. The Board had previously discussed with Ms. Jen Hess going back to the court for authority to issue bonds on the amount of \$24,000,000. The increased amount was to give the Board a safety factor for the bond issue and a contingency on the financing amount that could be used if needed without the time delay of re-petitioning the court.

Mrs. Matthews made a motion to pay down the land costs from funds on hand. Mr. Wood, Director Seconded the motion. Mr. Buckingham approved the motion. All in favor, the motion passed.

**RESOLVED, the 900 S. Tibbs purchase shall be repaid from funds on hand.**

Given the foregoing, it was brought before the board for counsel Jen Hess to go before the Marion County Circuit Court and request an increase of \$4,000,000 in bonding authority. This is in addition to the \$20,000,000 already approved by the court. The additional monies will be used to include the major equipment pricing already locked and secured via contract/po and the revised inspection agreement. While the District may not need all \$24 Million, it was felt that it is prudent to obtain the additional authority. Further, the bond resolution needs to be amended to change the definition of Net Revenue such that Operating and Maintenance (including Repair and Replacement) Expenses include only those expenses remaining after the application of Ben Davis Conservancy District property tax receipts and amended the Bond Resolution Debt Reserve Requirement to be established at the time of sale and at the advice of the Financial Advisor of the Ben Davis Conservancy District, if any. Mr. Wood, Director made motion to amend the Bond Resolution with these two provisions subject to Court approval and a public hearing. Mrs. Matthew, Vice Chair seconded the motion and Mr. Buckingham concurred. The motion passed.

**RESOLVED, pending approval of the Marion County Circuit Court and pending a public hearing, the maximum bonding authority shall be increased to \$24 Million.**

**Further, the Bond Resolution shall be amended as to change the definition of Net Revenue such that Operating and Maintenance (including Repair and Replacement) Expenses include only those expenses remaining after the application of Ben Davis Conservancy District property tax receipts and the Bond Resolution shall be amended to state that the Bond Resolution Debt Reserve Requirement shall be established at the time of sale and at the advice of the Financial Advisor of the Ben Davis Conservancy District, if any.**

Ms. Hess presented the Board with a Second Petition to Increase Bond Solicitation Amount for Waste Water Treatment Facility and for Amendment to the Ben Davis Conservancy District Bond Ordinance Adopted June 21, 2021. Upon review of the Petition, Mr. Wood, Director, made a motion to approve said Petition. Mrs. Matthew, Vice Chair Seconded the Motion. Mr. Buckingham was also in favor. The Motion was approved.

**RESOLVED, the Board of Directors of the Ben Davis Conservancy District approved for execution and filing with the Marion County Circuit Court the Second Petition to Increase Bond Solicitation Amount for Waste Water Treatment Facility and for Amendment to the Ben Davis Conservancy District Bond Ordinance Adopted June 21, 2021.**

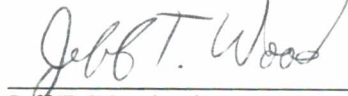
Mr. Brock stated he believed the increased cost and inflation pricing would require the District to raise the rates of the residents by \$10.00, to \$42.00 in 2023. Mr. Fred Buckingham asked if at all possible, would it be possible to only go up \$8.00 so the residents would not have a hardship. Mr. Brock said he would do his best to make that happen but could make no promises without re-running the numbers. It is anticipated by the year 2027 the monthly user fee will be \$52.00 for the residents and businesses at 1 EDU.

Mr. Brock is looking into the First Internet Bank for an interest-bearing account. Mr. Brock is working with Kim Blanchette and Landon of Baird regarding the issuance of the Districts bonds with the intent of closing on the bonds for construction financing within 60 days.

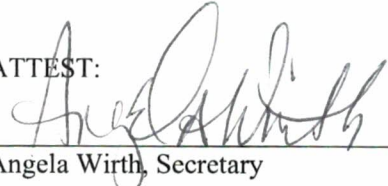
There being no further business on this matter, at the hour of 12:30 p.m., the Chairman Mr. Fred Buckingham, declared the Board Meeting closed.

  
Fred F. Buckingham, Chairman

  
Beverly A. Matthews, Vice Chairman

  
Jeff T. Wood, Director

ATTEST:

  
Angela Wirth, Secretary