



Nyona/South Mud Lakes Conservancy District

Date: November 3, 2025 Time: 6:00 PM

Chairman: Tom Trent called the meeting to order and the Pledge of Allegiance to the flag was recited.

All five board members were present. Steve Carter, Conservancy Accountant, was present. Nineteen public attendees were present.

Minutes from November meeting: A motion was made to accept minutes of November's minutes. The motion passed unanimously.

Treasurer's Report: Kevin presented Treasurers reports for November. Kevin reported in past meetings the USDS is overcharging our conservancy regarding our USDA loan, and he has been working with the USDA for a resolution. His efforts resulted in full a reimbursement from the USDA for our loan over charges. We received a refund for \$26,495 from the USDA this month.

The motion to accept the treasurer's reports passed unanimously.

Reconciliation:

Steve Carter, our conservancy accountant, shared he reconciled all bank statements today and he agrees with Kevin's financial assessment, refunds, deposits, total balances, and outstanding checks. The motion to accept Steve Carter's reconciliation passed unanimously.

Maintenance Report:

Tim was not present. Tom shared we are operating properly. We passed the recent USDA inspections with a perfect score. Tom asked Kevin to comment on the IDEM past due payment request. Kevin shared IDEM has informed the conservancy that we owe them \$3,240 for unpaid bills for 2023, 2024,2025 regarding our operating permit. Kevin proceeded to investigate this situation and discovered the bills from IDEM were being sent to the old PO box in Fulton in care of Monica Baker. Kevin corrected the bill to address with IDEM and will make this payment in full.

There was a sewer lid found damaged on Sunset Drive from an observed vehicle driven into the pit. A new lid and riser will be replaced, and the homeowner will be billed for the charges. The individual that was captured on our conservancy cameras driving through our grass and running over and damaging our well last winter has appeared in court and ordered to pay the damages. Tom had to fill out court papers seeking restitution for the repair expense. Tom shared we must continue to be vigilant making people pay for the damage they do to our equipment, or every freeholder has to pay for it. We received our first reimbursement payment, though small, for the well damages. The motion to accept the maintenance reports passed unanimously.

Old Business: Macy refused the past price increases and has lost the court hearings and their appeals. Macy continues to resist the rulings and appears to be appealing to the higher appellate court. Tom shared its illogical why Macy is spending so much on legal fees and appeals for less than a \$200 per month price increase. Currently, the town of Macy pays us \$1754 per month to process their wastewater without the past price increase. Currently Macy owes us a bit less than \$7,800 in late fees from the past price increase. Instead of paying the

increase they choose to pay much more in legal fees and continue to pay legal fees in the face of a court ruling against them. Kevin would like to switch our trash pickup away from Apex saving us \$25 per month. The motion to switch trash pickup suppliers passed unanimously. Kevin proposed a 25% price increase to \$109.50 per month. Since our last price increase, our plant costs went up 10%, REMC increased by 6%, Duke Energy increased 11% plus a fuel adjustment, NIPSCO increased 17%, grinder pumps increased more than 20%, Krohn our CPA is raising 20%, and our lawn service went up 20%. These rising costs are added to our larger problem. We have a 20 year old wastewater system. Since 2023 we needed to replace 42 new grinder pumps of the approximate 284 in service. The pumps have increase from \$2,000 each to over \$4,000 each. We average replacing 1.5 pumps per month for the past 2.5 years and this number is rising as the system ages. Our current monthly income is \$36,000 per month and our expenses without any pump replacements or other expenses is \$33,600. We clearly do not have enough monthly income. We need a price increase to keep the system up and running. A 25% increase will enable us to buy 2 pumps per month and keep us running. Tom shared we will have a public meeting Dec 1, 2025 at 5pm to share this information. Kevin confirmed with Steve Carter that if we do not raise price and continue to replace 1.5 pumps per month, we will fall short by \$98,000 in 2026. We are also seeing backflow valves failing adding to our fund deficit.

Tom stated we are formally introducing the price increase ordinance 25-001. Kevin provided the first reading of the price increase ordinance, 25-001, as written to all in attendance. Kevin made a motion to adopt price increase ordinance 25-001 and schedule a public hearing. The motion was seconded and passed unanimously. A motion was made to accept old business. The motion was seconded and passed unanimously.

New Business: Tom shared Brian Roller's term will expire the end of 2025. Nominations will be accepted up to midnight November 30, 2025. Tom stated board nomination forms are available at this meeting or can be printed from the website and return by mail or given to any board member before the expiration time. The motion to accept new business passed unanimously.

Open floor meeting:

A question was asked how we collect our liens. Tom shared when people pay their property taxes twice a year it is attached to their tax bill. The member was concern that liens continue to be mishandles as in the past. Steve Carter shared the conservancy has recovered \$13,202 dollars in liens paid this year and more are expected before the end of the year. Nobody is going years without paying their bill as in the past.

A question was asked "how are we ever going to get to a position we can lower the rates". Brian stated we will never get to a position to lower rates. We are simply doing everything we can to pay the bills and keep the place running.

A question was asked "can't we just rebuild the pumps instead of buying new ones". Kevin shared the expense to rebuild the old pumps is over \$2K and its still and old obsolete piece of equipment. It will cost more in the long run. The E1 pumps we are buying are much better designs, better made, last longer and we can rebuild them.

A question was asked "why are we having these pump issues". Tom shared the state required the community to install a wastewater system or they would condemn every house. The initial installation was the cheapest system they could get. The initial Barnes pumps were the cheapest on the market.

A question was asked "I don't understand the flat rate, I'm single and why am I paying as much as a family of 5 or 6". Tom responded the lake residents are a lot of part time people and we

have to run our system year round. We cannot maintain our facility with part time sewer bills. Kevin shared we cannot monitor without a meter. Steve carter shared we do not have the authority to put a meter on a private well. Steve Carter shared he is a CPA and manages 7 conservancies on a monthly basis. They are all at \$100 to \$115 per month for their sewer bills. Our 25% price increase will put our new bill right in the middle these other conservancies.

A question was made asking why abandoned houses or houses that are demolished and removed still have to pay the conservancy. Tom shared a case of two abandoned houses had two separate full bills. The owner tore them down but still had to pay debt service on both residences. The property had more value with a grinder pit for future development than without the pits. Tom also shared to install a new grinder pit is a \$3700 bill paid by the resident to the conservancy. Tom shared debt service is a fee every resident must pay for length of the loan. This is for reimbursement for the initial installation of the entire system and carries forward from owner to owner.

Meeting ended 7:34 PM

Written by: Terry Pierce
Board Member: Nyona/S Mud Lake Conservancy

Chairman:_____

Vice Chairman:_____

Treasurer:_____

Secretary:_____

Member at Large:_____