

To: President and Members of the Munster Town Council

From: Dustin C. Anderson, Town Manager

Date: May 4, 2020

Re: Engagement Letter: Landfill Financial Assurance Test

The Indiana Department of Environmental Management ("IDEM") requires documentation from the Town regarding financial assurance of the landfill. This requirement has traditionally been in place to assure IDEM that a private business owner operating a landfill site has placed financial assurance on record in case the owner closes the business without any warning, leaving behind a brownfield. The provisions in 329 IAC 10-39-2(a)(6) apply to municipalities as well, despite the fact that the same risks are not involved.

To comply with the standards of the Indiana Administrative Code, the Town has previously engaged the accounting firm of H.J. Umbaugh & Associates ("Umbaugh"). On March 1, 2019, Umbaugh combined with Baker Tilly Virchow Krause, LLP of Chicago, Illinois. The firm is now known as Baker Tilly.

The same team that has completed numerous reports on the financial status of the landfill for the Town is in place at Baker Tilly. A letter of engagement to perform the work that must be completed to provide IDEM with the proper financial assurance has been presented.

Baker Tilly has the appropriate financial information to provide IDEM with information about the Town's general financial well-being. IDEM does not stipulate that the Town pass any further bonds or pay any sums of money at this time to comply with the financial assurance provisions.

The expense of these financial analyses is set at \$6,300.00 and is to be funded from the Solid Waste Management Fund.

RECOMMENDED ACTION:

By motion and voice vote, approve a contract with Baker Tilly for services pertaining to preparation and submittal to IDEM of a financial assurance test for the former Munster Landfill, as presented.