

Allen Water District

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"Addressing the water needs of the Community"

April 8, 2020 Board Meeting Minutes

There was an Allen Water District (AWD) board meeting held on **Wednesday, April 8, 2020 at 2:00 p.m.** online via the Zoom Meeting Application in accordance with Governor Mike DeWine's COVID-19 social distancing guidelines.

The agenda was as follows:

1. Roll Call
2. Pledge of Allegiance
3. Additions, Changes, or Corrections to Agenda
4. Approval of AWD minutes – March 11, 2020
5. Clerk of Board Report
6. Committee Reports
7. Attorney's Report
8. Treasurer's Report
9. CPA Report
10. Old Business
11. New Business
12. Board Comments
13. Public Forum
14. Executive Session
15. Adjournment

A quorum being present, Dr. Biery brought the meeting to order at 2:11 p.m. and proceeded with the agenda.

1. ROLL CALL

Dr. Biery

Mr. Lucas

Mr. Miller

Mr. Kayatin

Mr. Kessen

Mr. Gosnell

Mr. Hartley

Member At Large

Member At Large

American Twp Representative

County Representative

Perry Twp Representative

Shawnee Twp Representative

Bath Twp Representative

STAFF

Kim Stiles – Clerk of the Board

Rex Huffman – Allen Water District Attorney

Paul Rennick – Allen Water District Accountant

PUBLIC – None

2. PLEDGE OF ALLEGIANCE

3. ADDITIONS, CHANGES OR CORRECTIONS TO AGENDA – Mr. Miller asked to present the CPA Report and Treasurer’s Report to the Board first.

4. CPA REPORT

Mr. Rennick presented the 2019 Draft Executive Summary/Financials to the Board. He stated that it has been a positive year for the District financially and noted several key points of the report.

- The District’s assets have decrease approximately \$500k from 2018. This includes \$414k in Capital Outlay costs including construction costs for the Diller Road and Baty Road projects and engineering costs for the East Regional Waterline Project.
- Operating receipts exceeded operating disbursements in 2019. In addition, the OWDA interest subsidy reduced cash outlay for interest. Special assessment payment collections were lower than previous years due to regular collections through the Allen County Auditor but were offset by approximately \$92k in new special assessments in 2019.
- Capital assets increased by approximately \$349k, which was offset by depreciation expenses of \$400k resulting in a net decrease of approximately \$51k.
- Accounts receivable and other assets were consistent with the prior year.
- Total liabilities decreased approximately \$342k from 2018. Factors contributing to the decrease include approximately \$421k in OWDA principal payments over the last year, an approximate \$13k increase in accounts payable due to increases in contract fees from the City of Lima, and decreases of approximately \$52k and \$6k in contracts payable and retainage payable on ongoing construction projects between 2018 and 2019.
- Net position has decreased approximately \$109k from 2018.
- District fee revenue didn’t change significantly from the previous year while contract fee revenue increased approximately \$93k. Contract fees are based upon the rates charged by the City of Lima and the District has no control over these contract fees revenues.

- Capital permit fees and supplemental charges decreased approximately \$36k from fiscal year 2018 due to less construction in 2019.
- Interest income decreased by approximately \$65k. A primary factor contributing to the decrease include decreased special assessment balances producing less interest income. In addition, the District is no longer receiving interest income from checking or savings accounts since the County became the District's fiscal agent.
- Salaries and benefits increase approximately \$61k from 2018 due to increased pension and OPEB expenses, the hiring of a part time position and compensation increases in 2019.
- Contract fee expense increased approximately \$93k which is consistent with the increase in contract fee revenue from the City of Lima.
- Depreciation expense increase slightly as there were additional capital assets put into service in 2019.
- Professional service expenses remained consistent with the previous year.
- Capital contributions increased by approximately \$113k due to an increase in capital contributions from special assessments.

MOTION MADE BY MR. KESSEN TO APPROVE 2019 DRAFT EXECUTIVE SUMMARY/FINANCIALS. Second by Mr. Hartley. Motion carried 7-0.

5. TREASURER'S REPORT

Revenue and Expense Reports for March 2020 (Month-to-Date and Year-to-Date) for funds 8750, 8751, 8752 and 8753 presented. Current cash balance total for all AWD funds as of 3/31/20 is \$1,313,892.30. Here are the cash balance totals for each fund as of 3/31/2020:

8750 Project Debt Service - \$750,026.56	8753 External Capital Reserve - \$12,585.79
8751 Operating Fund - \$385,600.93	8754 USDA Debt Reserve - \$0
8752 Internal Capital Reserve - \$165,679.02	8755 USDA Reserve - \$0

Audit and Finance Meeting held April 8, 2020 via Zoom. The following items were discussed:

- 📌 Approve January 8, 2020 Audit and Finance Meeting Minutes
- 📌 Review 2019 Draft Executive Summary/Financials
- 📌 2018/2019 Audit for the District will begin soon
- 📌 East Regional – USDA Requirements
- 📌 Date for Next Meeting

MOTION MADE BY MR. MILLER TO APPROVE MARCH 2020 TREASURER'S REPORT. Second by Mr. Kayatin. Motion carried 7-0.

6. APPROVAL OF MINUTES

Mr. Kayatin made a motion to approve the March 11, 2020 minutes. Second by Mr. Hartley. Motion carried 7-0.

7. CLERK OF BOARD REPORT

There has been **1 connection inquiry** since last month's meeting:

- Daven Stedke of Hume Supply inquired about obtaining a permit for 2654 Jonathan Drive for a single family home to be built. This line was put in by the developer in the Applewood Subdivision so a standard CPF of \$500 would be charged.

There have been **2 capital permit** issued since last month's meeting:

- Jacc's Construction obtained a permit for 2691 Alexandria Drive in the Monticello Subdivision where a single family home is being constructed. This is a developer line and the standard CPF of \$500 was charged.
- Carl Pugin obtained a permit for 3687 Sky Hawk Drive in the Country Aire Subdivision for a single family home being built. This is a developer line and the standard CPF of \$500 was charged.

There have been **no extension inquiries** since last month's meeting.

Improvements/Changes/Upcoming Events

MOTION MADE BY MR. GOSNELL TO APPROVE RESOLUTION #20-010 TO AUTHORIZE MEETING VIA TELECONFERENCE, DECLARATION OF ESSENTIAL CONTRACTORS AND DISTRICT MANAGER THE AUTHORITY TO CONDUCT BUSINESS DURING THE DEPARTMENT OF HEALTH'S STAY AT HOME ORDER. Second by Mr. Kayatin. Roll Call: Dr. Biery – yes, Mr. Lucas – yes, Mr. Kayatin – yes, Mr. Miller – yes, Mr. Gosnell – yes, Mr. Hartley – yes, Mr. Kessen - yes.

Mr. Hartley inquired on the cost of using the Zoom teleconference meeting application and Ms. Stiles replied that the annual cost is \$150.00 and will be paid as an operating expense.

By-laws, Policies and Procedures – Nothing to report.

Board Appointments

- Mr. Miller has been reappointed to the Allen Water District Board of Trustees by American Township. Term expires 4/30/2023.

- Mr. Kayatin has been reappointed to the Allen Water District Board of Trustees by the Allen County Commissioners. Term expires 4/30/2023.
- Mr. Lucas's term expired 4/30/2020. Board can reappoint Mr. Lucas as Member-at-large until this appointment is converted to a County appointment.

Contracts and Agreements

Assignment Assumption

- Petition hearing has been rescheduled to May 21st at 3 p.m. Mr. Huffman will determine whether we need to publish again.
- Commissioners anticipate rescheduling meeting with District sometime in May depending on circumstances. Teleconference possibility was suggested by the District but not entertained at this time.

Projects

East Regional

- a) The District has received another revised set of 30% alignment drawings. A link for these plans has been sent to the Villages, City, County and Fire Department for their comments. In some areas within the Villages, the best place to put the waterline is in the road. Mike Caprella is okay with taps being put in the road as long as they are run to the right of way.
- b) Project Committee met April 8th via Zoom to compile a list of comments for the 30% plans.
- c) During the March AWD Board Meeting, the District passed a Resolution to Proceed. This will allow the District to request contributions from the County and City. However, the District is still waiting on signatures from the City of Lima. Ms. Stiles has been in contact with Mr. Caprella and he has assured the \$250k has been approved and he is awaiting the signature from City legal. The District has been covering project costs with their own funding up until this point. Another advance is needed to cover upcoming costs, specifically engineering.

MOTION MADE BY MR. KAYATIN TO APPROVE RESOLUTION #20-011 TO APPROVE THE ADVANCE OF ONE HUNDRED THOUSAND DOLLARS (\$100,000) IN EXCESS MONIES FROM THE DEBT SERVICE FUND 8750 TO THE EXTERNAL CAPITAL OUTLAY FUND (8753) FOR THE EAST REGIONAL WATERLINE IMPROVEMENT PROJECT. Second by Mr. Gosnell. Roll Call: Dr. Biery – yes, Mr. Lucas – yes, Mr. Kayatin – yes, Mr. Miller – yes, Mr. Gosnell – yes, Mr. Hartley – yes, Mr. Kessen - yes.

- d) A second meeting date to review current CDBG requirements will most likely be scheduled in spring. The District will utilize this meeting to secure any easements that have not yet been secured as this is a crucial step in order to be able to bid the project. This meeting will

count as one of our meeting requirements with CDBG and will most likely be held at Allen East School. The District will apply for the CDBG grants (\$750k for each Village) once the PTI has been obtained. The goal is to submit our application to CDBG in July 2020 and be among the first applicants.

- e) The District is waiting on plans from Rudolph Foods for 12” waterline extension and hydrant relocation. Plans will be submitted to OEPA once District and City of Lima have signed off.

Master Plan Study (Node Map) – The City of Lima has given their approval on the draft Table of Contents for the Request for Proposal. The District will move forward with drafting the remainder of the RFP.

Feasibility Study for Gomer – The project committee has determined that option 6 is the most preferred because this option would:

- 🚧 Close three dead-end loops for the City of Lima and the District
- 🚧 Provide a secondary water supply source for the Village of Elida
- 🚧 Boost water pressure for the service line to Gomer
- 🚧 Provide public water to the maximum number of potential customers.

The District will coordinate this effort and option considerations with Regional Planning and AEDG for potential future growth forecasts. Moving forward, a Source and Use will continue to be worked on and a meeting will be set up with RCAP’s Jamie Mehaffie.

Wapak/Breese Road Extension – Proposal for design services and construction estimate received from Access Engineering. Ms. Stiles will inquire with COL to determine if PVC is acceptable.

8. COMMITTEE REPORTS

Audit and Finance (Mr. Miller) – Completed with Treasurer’s Report.

By-laws, Policies and Procedures (Covered by Ms. Stiles in the Clerk of Board Report)

Contracts and Agreements Committee (Covered by Ms. Stiles in the Clerk of Board Report)

Projects Committee (Covered by Ms. Stiles in the Clerk of the Board Report)

9. ATTORNEY’S REPORT – Nothing to report.

10. OLD BUSINESS – Nothing to report.

11. NEW BUSINESS – Nothing to report.

12. BOARD MEMBER COMMENTS: None

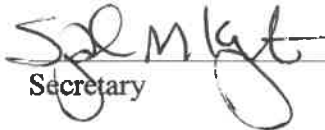
13. PUBLIC FORUM: None

14. EXECUTIVE SESSION: None

15. **ADJOURNMENT:** Motion for adjournment made by Mr. Gosnell at 2:51 p.m. Seconded by Mr. Hartley. Motion carried 7-0.

ATTESTED:


Chairman _____ Date 5/20/2020


Secretary _____ Date 5/20/2020