

# Allen Water District

3230 North Cole Street

Lima, Ohio 45801

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*"Addressing the water needs of the Community"*

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## June 10, 2020 Board Meeting Minutes

There was an Allen Water District (AWD) board meeting held on **Wednesday, June 10, 2020 at 2:00 p.m.** in the Training Center of the Allen County Sanitary Engineering Department office located at 3230 North Cole Street, Lima, Ohio.

The agenda was as follows:

1. Roll Call
2. Pledge of Allegiance
3. Additions, Changes, or Corrections to Agenda
4. Approval of AWD minutes – May 20, 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 2:00 p.m. and proceeded with the agenda.

### 1. ROLL CALL

Dr. Biery

Mr. Lucas

Mr. Miller

Mr. Kayatin - absent

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

Mary Mathews – Office Assistant

**PUBLIC** – None

**2. PLEDGE OF ALLEGIANCE**

**3. ADDITIONS, CHANGES OR CORRECTIONS TO AGENDA** – None

**4. APPROVAL OF MINUTES**

Mr. Miller made a motion to approve the May 20, 2020 minutes. Second by Mr. Gosnell. Motion carried 6-0.

**5. CLERK OF BOARD REPORT**

Ms. Mathews stated that there had been **2 connection inquiries** since last month's meeting:

- Jessica Compton inquired about obtaining public water for a lot on Wonderlick Road (46-0403-01-043.000) she is planning to purchase. The parcel is fronted by a County line but is in District territory. A no-charge permit would be issued with a notation that this would be a District customer. Mr. Gosnell noted that property may eventually include several homes.
- Triple R Construction inquired about obtaining water for another home to be built at 1320 Wonderlick Road. Again, this is a County waterline but in District territory so a no-charge permit would be issued with a notation that this would be a District customer.

Ms. Mathews stated that there had been **8 capital permits** issued since last month's meeting:

- Scott Duff obtained a permit for 3056 Juniper Ave in the Amanda Lakes Subdivision where a single family home is being constructed. This is a developer line and the standard CPF of \$500 was charged.
- Lawson Brothers Construction obtained a permit for 3477 Camden Place in the Camden Ridge Subdivision where a condominium is being constructed. This is a developer line and the standard CPF of \$500 was charged.
- Quality Management obtained two permits for homes being built in the 7 Oaks Subdivision. One permit was for 3964 Running Oak Trail and the other for 3996 Willow Oak Trail. These lines were put in by the developer and therefore the standard CPF of \$500 per ESFU was charged for each, totaling \$1,000.

- Stephen Sheidler obtained a permit for his home at 4455 E Hanthorn Rd. The property is fronted by the Southeast Regional waterline and has a CPF of \$6,300 per ESFU.
- Daven Stedke obtained a permit for 3564 Jonathan Drive in the Applewood Subdivision where a single family home is being constructed. This line was put in by the developer and the standard CPF of \$500 per ESFU was charged.
- Lamar Houston obtained a permit for a new home being constructed at 2645 Gaithersburg Drive in the Monticello Subdivision. This is a developer's line and the standard CPF of \$500 was charged.
- Charles Bourne obtained a permit for a new condo being built in the Riverwalk Subdivision. This is a developer line so the standard CPF of \$500 was charged.

Ms. Mathews stated that there had been **no extension inquiries** since last month's meeting.

### **Potential Projects**

- **Shawnee/Hume Road Extension** - In May of 2020 Karla Boroff inquired about cost of obtaining water at 4885 Shawnee Road. The current waterline is a 12" stops approximately 350 feet away at Applewood Subdivision. At approximately \$100/foot, a 350 foot 12" extension would run approximately \$35,000 with only two potential connections.

The Board decided during the May 2020 Board meeting to research a potential waterline project to connect an existing District waterline along Shawnee Road in the Applewood Subdivision to an existing County waterline on Hume Road at the Shawnee Oaks Subdivision. This line would also potentially run west along Hume Road to the intersection of St. Matthews Drive. There are approximately 40-50 potential customers that could be served by this project, including 4885 Shawnee Road. A map showing the potential project area and a database has been created and an interest survey letter for property owners has been prepared. \*Note\* The west side of Shawnee Road here is District territory but the east side is County as is all of Hume Road to the east of Shawnee Road. District needs to discuss further with County before sending out letter.

Mr. Hartley noted that K&K developed waterline plans for a section of Shawnee Road and Hume Road during the planning and construction of the Shawnee II waterline project. He said that these plans may just need to be updated for use in a current project.

- **Wapak/Breese Road Extension** – In February of 2020 Jennifer Morgan inquired about the possibility of obtaining public water for her home at 3480 S. Wapak Rd. The Shawnee II Waterline Project ends just to the north of this parcel.

A revised proposal for design services and construction estimate received from Access Engineering with 12" PVC used on S. Wapak Rd. Approval given by City of Lima. The revised estimate is \$660,000 for the overall project cost. There are approximately 35-40 potential customers that could be served by this project, including 3480 S. Wapak Rd. A map showing the potential project area and a data base has been created and an interest survey letter for property owners has been prepared. Ms. Stiles added that an informational meeting for Breese Road was

held in June of 2018. Mr. Gosnell stated that there are several homes set back off Breese Road that should be included in the letter survey as they may be interested in being served as well.

### Improvements/Changes/Upcoming Events

#### By-laws, Policies and Procedures

**MOTION MADE BY MR. KESSEN TO APPROVE RESOLUTION #20-013 TO ADOPT THE 2020 REVISION OF THE DEPOSIT, FEE AND CHARGE SCHEDULE POLICY WHICH INCLUDES THE ADDITION OF THE BATY ROAD WATERLINE EXTENSION CAPITAL PERMIT FEE TO TABLE 2.1 “PROJECT ESFU FEE TABLE” AS WELL AS AN UPDATED PART 2: WATER CONNECTIONS FEES SECTION OUTLINING PAYMENT OPTIONS FOR PERMIT FEES.** Second by Mr. Miller. Roll Call: Dr. Biery – yes, Mr. Lucas – yes, Mr. Kayatin – absent, Mr. Miller – yes, Mr. Gosnell – yes, Mr. Hartley – yes, Mr. Kessen - yes.

#### Contracts and Agreements

#### Assignment Assumption

- Petition hearing held May 21<sup>st</sup> at 3 p.m and was attended by Dr. Biery and Mr. Huffman.
- Ms. Stiles presented the board with an updated Assignment and Assumption Fee Chart and 6 Year AWD Projection handout to address additional financial information requested by the Commissioners.

Mr. Miller inquired on who would have the ability to make changes to the administrative fees and Mr. Huffman replied that only the District’s Board of Trustees could make changes to the administrative fees. Mr. Huffman also noted that the handout will not be included as part of the final agreement and is being presented to the Commissioners for informational purposes only.

**MOTION MADE BY MR. MILLER TO APPROVE THE UPDATED ASSIGNMENT AND ASSUMPTION FEE CHART AND 6 YEAR AWD PROJECTION EXHIBIT AND TO PRESENT THE EXHIBIT TO THE ALLEN COUNTY COMMISSIONERS.** Second by Mr. Lucas. Motion carried 6-0.

- Mr. Huffman stated that some language has been added/revised in the Agreement.
  - Administrative fees are based on estimates and are subject to change by the District.
  - Administrative fees used to fund O&M (15%) and Capital Reserve Fund (85%), subject to change.
  - District agrees to meet with the Commissioners annually to discuss administrative fees.
  - Commissioners will be notified 30 days before any changes to administrative fees.

Mr. Huffman also addressed a previous inquiry by Ms. Stiles regarding on language used in Section 12 of the Agreement concerning the reimbursement of fees if the Agreement were to be terminated and Mr. Huffman noted that he would take a second look at that section to ensure it read correctly.

**MOTION MADE BY MR. MILLER TO AUTHORIZE CHAIR, DR. BIERY, TO SIGN THE ASSIGNMENT AND ASSUMPTION AGREEMENT.** Second by Mr. Hartley. Motion carried 6-0.

Mr. Miller expressed concern on the current timetable for the Assignment and Assumption Agreement. He noted that the City of Lima has requested time to update their system to be able to start billing customers on January 1, 2021 and that the process can't begin until after the Agreement has been signed by the Commissioners. Mr. Miller proposed a deadline of June 26, 2020 to have the Commissioners sign the Assignment and Assumption Agreement. Mr. Lucas inquired on what would happen if the deadline were to pass without the Agreement being signed and Mr. Miller replied that it would end. Mr. Kessen asked on why Mr. Miller chose June 26, 2020 and Mr. Miller responded that it is the day after the Commissioners last meeting for June 2020. Mr. Kessen asked Mr. Huffman on his opinion of setting a deadline and Mr. Huffman noted the importance of keeping to a timely schedule and the need to update the City of Lima Agreement which can't be done until the Assignment and Assumption Agreement has been signed. Dr. Biery stated that he didn't feel that setting a deadline, especially one so soon, would be beneficial to the process. He requested Mr. Miller rescind his motion to allow the Commissioner additional time to review the updated fee chart and 6 year AWD projection exhibit. Mr. Miller noted that the Commissioners would have two weeks to review the updated exhibit and declined to rescind his motion.

**MOTION MADE BY MR. MILLER TO SET A DEADLINE OF JUNE 26, 2020 TO HAVE A SIGNED ASSIGNMENT AND ASSUMPTION AGREEMENT.** Second by Mr. Gosnell. Roll Call: Dr. Biery – no, Mr. Lucas – yes, Mr. Kayatin – absent, Mr. Miller – yes, Mr. Gosnell – yes, Mr. Hartley – no, Mr. Kessen - no.

## **Projects**

### **East Regional**

- a) 90% drawings have been received for Contract A and sent out for comment. Estimated date for Contract B to be received is June 19th. As soon as comment is received, each contract will be submitted to OEPA so PTI can be obtained.

Mr. Hartley noted that Contract C, which originally included a standpipe to be constructed is now being recommended to be a water tower, which is in agreement with recommendations from the City of Lima. Standpipes increase the potential for stagnant water to accumulate. This wouldn't be a concern with a water tower. Additionally, a water tower will provide better pressure of the system and increase resources in the event of a fire emergency. Two parcels were considered for the location of the water tower and the decision has been made

to use the donated land adjacent to Allen East School. The other site, while higher in elevation, presented an obstacle with overhead power lines. The site on Napoleon Road, near the school, will require the water tower to be elevated to allow for proper pressurization of the system, according to modeling completed by the engineer. Ms. Stiles noted that the elevated water tower will be more expensive than a standpipe.





- b) Easement packets are being prepared and will be reviewed by legal to make sure they are acceptable. Upon review, we will begin reaching out to property owners to obtain signatures.

Mr. Huffman noted the importance of obtaining the easements and suggested contracting with a title agency to verify the accuracy of property owner information.

- c) New RCAP representative assigned to the District. Her name is Pam Ewing. We are working closely with Pam to assist us in our CDBG applications for each Village.
- d) The June Village Update was sent to Harrod and Lafayette's Village Representatives.
- e) A second meeting date to review current CDBG requirements will most likely be scheduled in spring/summer. The District will utilize this meeting to secure easements 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. Ms. Stiles stated that our RCAP representative is looking into the possibility of CDBG allowing the Informational Meeting held with the Villages in June of 2019 to meet their 2<sup>nd</sup> meeting requirement.
- f) The Intergovernmental Agreement is on the County Commissioner's agenda for signatures for Thursday June 11th. The County will be invoiced for their contribution amount once Agreement has been signed by all parties. A copy of the signed Agreement will be sent to all parties as well.
- g) The City of Lima's contribution of \$250k has been received by the District.

**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 the RCAP representative.

## 6. 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)

7. ATTORNEY’S REPORT – Mr. Huffinan again stressed obtaining easements as quickly as possible and that District may want to consider getting quotes from title companies to verify property owner names.

## 8. TREASURER’S REPORT

Revenue and Expense Reports for May 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 5/31/20 is \$1,413,329.57. Here are the cash balance totals for each fund as of 5/31/2020:

8750 Project Debt Service - \$653,226.56	8753 External Capital Reserve - \$81,400.65
8751 Operating Fund - \$509,023.34	8754 USDA Debt Reserve - \$0
8752 Internal Capital Reserve - \$169,679.02	8755 USDA Reserve - \$0

The first half 2020 OWDA payment has been made in the amount of \$228,932.36. Last payment made for Shagbark/Snowberry. The District supplemented approximately \$23k of the OWDA payment. This is down approximately \$10k from the payment before and \$27k from the payment the year prior. The amount we supplement should continue to decrease as the loans are paid off.

The Audit and Finance Committee held their quarterly meeting prior to today’s regular board meeting. The agenda was as follows:

- 🚩 Quick review of 2019 Final Executive Summary/Financials.
- 🚩 2018/2019 Audit is under way.
- 🚩 East Regional – USDA Requirements:
  - a) Operating Budget and rate analysis
  - b) Proposed Rate Resolution
  - c) Interim Financing Options
  - d) Financing Project
- 🚩 Preliminary 2021 Budget – A preliminary 2021 budget to be approved by resolution at our July meeting. More detail and time will be put into the budget closer to the end of the year.
- 🚩 Date for Next Meeting

**MOTION MADE BY MR. MILLER TO APPROVE JUNE 2020 TREASURER'S REPORT.**

Second by Mr. Gosnell. Motion carried 6-0.

9. **CPA 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 3:10 p.m. Seconded by Mr. Kessen. Motion carried 6-0.

ATTESTED:

  
Chairman \_\_\_\_\_ Date 7/8/2020

  
Secretary \_\_\_\_\_ Date 7/8/2020