

Allen Water District

3230 North Cole Street

Lima, Ohio 45801

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"Addressing the water needs of the Community"

October 9, 2019 Board Meeting Minutes

There was an Allen Water District (AWD) board meeting held on **Wednesday, October 9, 2019, at 5:00 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 – September 11, 2019
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 5:00 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

Rex Huffman – District Attorney

Kim Stiles – Clerk of the Board

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 September 11, 2019 minutes. Second by Mr. Hartley. Motion carried 7-0.

5. CLERK OF BOARD REPORT

Ms. Stiles stated that there were **9 connection inquiries** since last month's meeting:

- Stephen Sheidler inquired about obtaining water for his home at 4455 Hanthorn Road. This waterline was put in with the Southeast Regional Project and the assessment to connect for one ESFU would be \$6,300.
- Jenny Burns inquired about obtaining water for her home at 3100 N. Cole St. This waterline was put in with the Cole Street Extension Loop Project. A no-charge permit would be issued by District if the homeowner chooses to connect.
- Jerry Hayden inquired about obtaining water for his building/apartment at 2565 N. West Street. This waterline was put in with the McDonel Project and the assessment has ended. The standard capital permit fee of \$500 would be charged.
- Jeff Dulmage, realtor with Hartsock, inquired about obtaining water for a vacant parcel (46-1610-02-006.000) on Zurmehly Road. This waterline was put in with the Zurmehly Road Extension Project and the standard permit fee is \$6,500.
- Christopher Tognetti inquired about obtaining water for his property at 4325 Zurmehly Road. His parcel does not front the waterline however his driveway is located in a different parcel which does. Mr. Tognetti has a permanent easement for his driveway. This waterline was put in with the Shawnee Phase II Project and the permit fee is \$5,347 per ESFU.

Mr. Huffman noted that easements do not typically include utilities and that the District may want to let Mr. Tognetti know that he should review the details of his easement. Mr. Huffman added that he can look at the easement, if needed, if Mr. Tognetti decides to obtain a permit but that the District is not required to have a copy of the easement.

Mr. Kessen noted that Mr. Tognetti's property extends to the south, ending at W. Breese Road, and wondered if that was the intended original location of the driveway.

- Jim Martin is considering purchasing a lot of land to build a single family on and inquired about water permit fees for four potential lots within the District. The following are the addresses/parcels and the corresponding permit fee for each:

- ❖ 238 Timberfield (located in Timberfield Estates) – quoted \$500 Standard CPF
- ❖ 5896 Timberstone (located in Woodberry Creek Estates) – quoted \$500 Standard CPF

- ❖ 3333 Yoakam (line put in with Shawnee 1 Project) – quoted \$500 Standard CPF
- ❖ Lot on Zurmehly/46-1610-02-007.000 (Zurmehly Ext Project) – quoted \$6,500 CPF

Ms. Stiles stated that **6 capital permits** were issued since last month’s meeting:

- NWO Properties obtained a permit for a home being built at 2515 Alexandria Drive in the Monticello Subdivision. This waterline was put in by the developer and a standard CPF of \$500 was charged.
- LBC Investments obtained permits for 3 condominiums currently being built at 3476 Camden Place, 3517 Camden Place and 3519 Camden Place in the Camden Ridge Subdivision. This waterline was put in by the developer. The standard CPF of \$500 was charged for each condo resulting in \$1500.
- Britton Gilica obtained a permit for her home at 1658 Lee Ann Drive. The property is on the Lee Ann Drive Extension and was a voluntary connection when it was constructed in 1998. The assessment has ended so the standard CPF of \$500 was charged.
- Scott Stephenson obtained a permit for 3587 Woodhaven Lane. This waterline was put in with the Shawnee Phase 1 Project and the assessment of \$3,218.17 has been paid through the property taxes. A no-charge permit was issued.

Ms. Stiles stated that there had been no waterline extension inquiries since last month’s meeting.

Website – The new website is up and running with the same web address as before. Please check it out at allenwaterdistrict.com. Feedback is always welcome. Ms. Stiles noted that the District’s Accountant Paul Rennick suggested adding financial statements to the website to keep the public informed. Ms. Stiles said that she’s going to work with Mr. Rennick to add this information soon.

By-laws, Policies and Procedures – Operational Policies and Procedures are being worked on.

Review Standard Capital Permit Fee Reduction – The Standard Capital Permit Fee was reduced effective 7/1/2018. Below is a look back at the number of standard capital permits issued for the last 4 years:

Time Frame	Standard Capital Permits Issued
July 1, 2018 to June 30, 2019	35
July 1, 2017 to June 30, 2018	16
July 1, 2016 to June 30, 2017	10
July 1, 2015 to June 30, 2016	18

Mr. Kayatin noted that while it seems the lower CPF has spurred development revenues from CPF are significantly lower. He added that he would be interested in seeing what the effect of the lower fees have been for Allen County Sanitary Engineering and for the City of Lima.

Contracts and Agreements

MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #19-028 TO AUTHORIZE DR. BIERY, CHAIR, TO EXECUTE A FIRE HYDRANT MAINTENANCE AGREEMENT WITH JACKSON TOWNSHIP TRUSTEES. Second by Mr. Hartley. Roll Call:

Dr. Biery – yes, Mr. Lucas – yes, Mr. Kayatin – yes, Mr. Miller – yes, Mr. Gosnell – yes, Mr. Hartley – yes, Mr. Kessen – yes.

Mr. Lucas asked how long Fire Hydrant Maintenance Agreement remain in effect and Ms. Stiles responded that the standard agreement lasts for twenty years.

Mr. Kessen raised a question about fire hydrant maintenance at a privately owned mobile home park in Perry Township, Colonial. He states that the equipment hasn't been regularly maintained and that there are questions about whether it may still be fully functional. He wanted to know if the District had maintenance agreements with private communities.

Mr. Kayatin responded that for the District to have a maintenance agreement with a private community easements would need to be obtained for roadway right-of-ways and the system would need to be build/brought up to county standards. Ms. Stiles stated that the District does not have an agreement with Colonial.

Projects

East Regional

- a) The District will keep both Villages up to speed on the project by sending out a monthly e-mail update at the beginning of each month prior to their Council Meetings. If/when needed as determined by District or Village(s), meetings may be scheduled with the Village Representatives.
- b) The District met with members of the RLF Board and employees from ODSA who have knowledge of the CDBG application process. The RLF board previously approved \$150,000 in grant for this project. The District has amended the request to \$150,000 for each Village and the RLF Board seems receptive to this request due to an excess of money in the RLF fund that needs to be spent down. We hope to find out soon if this increase has been approved.
- c) A date is currently being considered for the second meeting to review current CDBG requirements. 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.

Ms. Stiles noted that the PTI may not be obtained for a while. Additionally, CDBG has had an increase in applications this year which may push the District's application to fall of 2020. The Board could consider interim financing.

Ms. Stiles also noted that OPWC would like to see the project started soon due to the timing of the loans' approvals. Mr. Kayatin asked if OPWC funds can be used for engineering as well as construction. Ms. Stiles said she would look into the matter and keep all involved parties informed.

- d) The Jackson Township Trustees have signed a Fire Hydrant Maintenance Agreement with the Allen Water District. The Allen Water District passed resolution 19-028 earlier in the meeting to authorize the District Chair to sign and execute the Agreement.
- e) The District will continue to work on our list of items needed for closing instructions from USDA.
- f) The promissory note for the OPWC 0% loan needs signed and returned to the District from the Village of Harrod.
- g) Survey work is nearing completion. Soil borings should begin in the next couple weeks. Prime has created a base map to help create alignment drawings. Prime will focus their layout/design work initially on areas that require easements as these can take some time to acquire.

Mr. Hartley asked when Prime expected to have their plans completed. Ms. Stiles responded that Mr. Kayatin has also inquired about this and that she hadn't been given a due date but would inquire on the matter. Mr. Hartley expressed concern that a delay in plans being completed could result in bidding out the project during an unfavorable time period. Mr. Kayatin stated that the project could possibly be bid out in December 2020/January 2021 which would also allow time for obtaining any required easements.

Baty Road Waterline Extension (WTLW)

- a) This waterline project is complete. Project costs have been calculated. The project came in lower than estimated which resulted in a significant decrease in costs for both the District and WTLW. Mr. Gosnell inquired on why engineering services were drastically lower and Ms. Stiles stated that she thought the engineering firm may have used an intern during the project.

The final project cost for the District is \$45,584. For WTLW, the final project cost is \$40,423 of which they agreed to pay \$20,212 with a cash payment and have \$20,211 assessed on their property taxes.

As part of the District's waterline agreement with WTLW, they are eligible for recoupment if there are future connections. Future customers will be charged \$31.55 per front footage. This figured was determined by the final project costs and total waterline front footage. WTLW is eligible to receive 40.49% of this fee or \$12.78 per front footage, up to a maximum recoupment of \$31,020.91.

Mr. Kayatin asked if the project has an ESFU charge to which Ms. Stiles answered no, the CPF will consist of a parcel's front footage multiplied by \$31.55 per ff. Mr. Gosnell asked how long the recoupment remains in effect to which Ms. Stiles said she believes it will be ten years. Ms. Stiles also noted that the District will cover the amount to be assessed to WTLW (\$20,211) at a rate of 2.92% for 10 years if Resolution #19-029 passes.

- b) **MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #19-029 TO ESTABLISH A CAPITAL PERMIT FEE, DETERMINE FINAL DISTRICT CONTRIBUTION AND ACCEPT FINAL PROJECT COSTS FOR THE BATY ROAD EXTENSION 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.
- c) **MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #19-030 TO AUTHORIZE CERTIFICATION OF THE BATY ROAD WATERLINE EXTENSION PROJECT VOLUNTARY ASSESSMENT FOR AMERICAN CHRISTIAN TELEVISION SERVICES, INC. TO THE ALLEN COUNTY AUDITOR FOR TAX YEAR 2019, COLLECT 2020.** Second by Mr. Kessen. Roll Call: Dr. Biery – yes, Mr. Lucas – yes, Mr. Kayatin – yes, Mr. Miller – yes, Mr. Gosnell – yes, Mr. Hartley – yes, Mr. Kessen - yes.

Master Plan Study (Node Map) – A draft Table of Contents has been sent to the City of Lima to ensure the District and City are on the same page. The District is awaiting a response from the City. Once a response is received, we will proceed with completing the Request for Proposal and meet with the City to review.

Feasibility Study for Gomer – An estimated November completion date was given by K&K for this study.

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** – Nothing to report.

8. **TREASURER’S REPORT**

Revenue and Expense Reports for September 2019 (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 9/30/19 is \$1,539,644.96. The cash balance totals for each fund as of 9/30/2019:

8750 Project Debt Service – \$967,433.00
 8751 Operating Fund – \$295,135.36
 8752 Internal Capital Reserve – \$153,650.63
 8753 External Capital Reserve – \$123,425.97
 8754 USDA Debt Reserve – \$0

8755 USDA Reserve – \$0

The Audit and Finance Committee met prior to tonight's meeting. The following items were discussed:

- 2020 Budget – To be presented for the Board's approval at next month's meeting.
- East Regional – USDA Requirements
- Baty Road Project – The District approved covering WTLW's assessment portion of \$20,211 at a rate of 2.92% for 10 years.

Next Audit and Finance Meeting will be on January 8th, 2019 immediately prior to the regular board meeting at 4 p.m.

Mr. Kayatin asked if the current 'cash on hand' total consisted of the balances in account 8751, 8752 and 8753 only or if it also included the balance of 8750. Mr. Miller responded that the current cash balance is the total of all four funds, including 8750. Mr. Kayatin asked if account 8750 included funds received from assessments to which Mr. Miller confirmed.

Mr. Gosnell asked about the manner in which the District currently handles funds from the City of Lima. Currently the District reports these funds as income and expenses when the money isn't actually received or spent by the District. He inquired about using a different method which wouldn't note these funds as income or expenses. Mr. Kayatin noted that differing from the current method could result in a citation during an audit from the State of Ohio. Mr. Gosnell noted that Mr. Rennick mentioned it was possible during the Audit and Finance meeting. Mr. Kayatin reiterated the importance of maintaining clear records. Ms. Stiles noted that District Fees and Contract Fees are currently received on the same check and would need to be separated anyway. Mr. Gosnell noted that having separate bank accounts would present a clearer accounting picture of the funds that the District actually generates. The consensus of the Board is that more research is needed before making a change.

MOTION MADE BY MR. MILLER TO APPROVE SEPTEMBER 2019 TREASURER'S REPORT. Second by Mr. Gosnell. Motion carried 7-0.

9. **CPA REPORT** – Nothing to report.
10. **OLD BUSINESS** – Nothing to report.
11. **NEW BUSINESS** – Advertising for 2020 State of Qualifications

MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #19-031 TO AUTHORIZE MS. KIMBERLY STILES, DISTRICT MANAGER, TO SUBMIT LEGAL ADVERTISEMENT FOR 2020 STATEMENT OF QUALIFICATIONS FROM FIRMS INTERESTED IN BEING PREQUALIFIED FOR CONTRACTS TO PROVIDE DESIGN SERVICES FOR WATER DISTRIBUTION. Second by Mr. Hartley. Roll Call: Dr. Biery – yes, Mr. Lucas – yes, Mr. Kayatin – yes, Mr. Miller – yes, Mr. Gosnell – yes, Mr. Hartley – yes, Mr. Kessen - yes.


12. **BOARD MEMBER COMMENTS:** None
13. **PUBLIC FORUM:** None

14. EXECUTIVE SESSION: Mr. Miller made a motion to go into executive session at 6:13 p.m. to discuss contract issues. Seconded by Mr. Hartley. Roll call: Dr. Biery – yes, Mr. Lucas – yes, Mr. Miller – yes, Mr. Kayatin – yes, Mr. Gosness –yes, Mr. Hartley – yes, Mr. Kessen – yes.

Mr. Miller made a motion at 6:37 p.m. to come out of exective session. Seconded by Mr. Kessen. Roll call: Dr. Biery – yes, Mr. Lucas – yes, Mr. Miller – yes, Mr. Kayatin – yes, Mr. Gosnell – yes, Mr. Hartley – yes, Mr. Kessen – yes.

15. ADJOURNMENT: Motion for adjournment made by Mr. Miller at 6:37 p.m. Seconded by Mr. Kessen. Motion carried 7-0.

ATTESTED:


Chairman

11-13-19
Date


Secretary

11-13-19
Date