

# Allen Water District

3230 North Cole Street

Lima, Ohio 45801

Phone 419-996-4679 Fax 419-229-3297

[allenwaterdistrict@allencountyohio.com](mailto:allenwaterdistrict@allencountyohio.com)

*"Addressing the water needs of the Community"*

## September 9, 2020 Board Meeting Minutes

There was an Allen Water District (AWD) Board Meeting held on **Wednesday, September 9, 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 – August 5, 2020
5. Clerk of Board Report (Includes Committee Reports)
6. Attorney's Report
7. Treasurer's Report
8. CPA Report
9. Old Business
10. New Business
11. Board Comments
12. Public Forum
13. Executive Session
14. Adjournment

A quorum being present, Dr. Biery brought the meeting to order at 2:01 p.m. and proceeded with the agenda.

### **1. ROLL CALL**

Dr. Biery

Mr. Lucas

Mr. Miller

Mr. Kessen

Mr. Gosnell

Mr. Hartley

Mr. Kayatin

Mr. Neeper

Mr. Leis

Member At Large

Member At Large

American Twp Representative

Perry Twp Representative

Shawnee Twp Representative

Bath Twp Representative

Allen County Representative

Allen County Representative

Allen County Representative

**STAFF**

Kim Stiles – Clerk of the Board

**PUBLIC** – None

**2. PLEDGE OF ALLEGIANCE**

- 3. ADDITIONS, CHANGES OR CORRECTIONS TO AGENDA** – Mr. Miller requested the District Accountant, Mr. Rennick, be moved to the beginning of the agenda to present the CPA Report.

Mr. Rennick greeted the board and proceeded to give a recap of the 2018/2019 Audit. He stated the District previously had Agreed Upon Procedures by the Auditor of State for the last 4 years so the Auditor of State had not looked at our financials since the last audit. He stated we did have one comment from this current 2018/2019 Audit and he stated it was his fault and that we will work to correct. Mr. Rennick stated he couldn't find exactly where the error was but that in our response we will beat everything up as much as we can to make sure we are good to go for next year. He again apologized for the comment and said hopefully it will be the last and he appreciates the opportunity to work with the District.

- 4. APPROVAL OF MINUTES** - Mr. Kayatin made a motion to approve the August 5, 2020 minutes. Second by Mr. Hartley. Motion carried 6-0.

**5. CLERK OF BOARD REPORT**

Ms. Stiles stated there had been **one connection inquiry** since last month's meeting:

- Mr. Bodine of 3899 Forest Drive inquired about the cost of obtaining water on the parcel next to his (46-1804-04-012.000) as he is interested in purchasing the vacant lot. This waterline was put in with the Shawnee Phase 2 Waterline Project and the permit fee to connect is \$5,347 per ESFU. It was asked when this assessment would end and what the permit fee would be after that date. The assessment ends 7/1/2029 and according to the current Deposit, Fee and Charge Schedule Policy (revised in June), his fee would be \$3,750 per ESFU plus a front footage charge of \$25/ff. With 215 front feet, the total permit fee due would be \$9,125, substantially more than the current assessment being charged. The intent of the June revision was not to make homes connecting after the fact pay more than the original assessment. It was to bridge the wide gap between the standard CPF of \$500 and the original assessment amount. Ms. Stiles recommends the Board taking another look at this policy in the near future and possibly putting a cap on this to prevent this problem.

Ms. Stiles stated there had been **4 capital permits** issued since last month's meeting:

- Wellman Services obtained two permits for single family homes being built at 3479 and 3493 Weldon Drive in the Camden Ridge Subdivision. This waterline was put in by the developer and the standard CPF of \$500 per ESFU was collected for each parcel.

- Velma Saunders obtained a permit for a single family home at 3737 E. Breese Road to connect to the Southeast Regional Waterline. The CPF for this project of \$6,300 per ESFU was collected.
- Kacie Green obtained a permit for a single family home being built at 3230 Berryhill Road to connect to the Berryhill Road Waterline. This fee was previously misquoted and the Board agreed to honor the quoted standard CPF of \$500 per ESFU.

Ms. Stiles stated there had been **one extension inquiry** since last month's meeting.

- Mr. Bodine of 1475 E. Bluelick Road inquired about the possibility of obtaining water. In order to loop the two existing lines on Bluelick Road, approximately 4,600 feet of 12" waterline is required with a cost estimate of approximately \$460,000. The potential number of connections is only 7 properties. Ms. Stiles recommends putting this on the list of potential future capital projects to be funded or partially funded by the District and making connection voluntary as the cost discourages an assessment project (approximately \$65k per ESFU without any other contributions). Mr. Kayaitn stated they City could possibly want to contribute to this as well since it would provide a loop to the system. Mr. Hartley agreed.

#### Improvements/Changes/Upcoming Events

- November Board Meeting – To be held on November 4<sup>th</sup> as the office is closed November 11<sup>th</sup> (the second Wednesday of the month) in observance of Veteran's Day.
- December Board Meeting – To be held at 5 p.m. on December 9<sup>th</sup> at Casa Lu Al.
- After interviewing several candidates and reviewing with the Board Secretary, Ms. Stiles will be offering the part-time Office Assistant position to a Ms. Shannon Finn. Ms. Finn has approximately 10 years' experience as an office assistant and should be a great fit to the office and our organization.

#### By-laws, Policies and Procedures

Ms. Stiles stated a possible Work Session could be held prior to October or November meeting to review revisions to Personnel and Operational Policies.

#### Contracts and Agreements

**Contracts and Agreements Committee Meeting** – The Committee met on September 8<sup>th</sup> along with the Project Committee to review a proposal from AECOM to provide potential solutions to a fire demand suppression system issue at Rudolph Foods. Ms. Stiles stated Rudolph previously requested fire flows for the line near Rudolph. Ms. Stiles relayed this request to the City of Lima and the City provided some numbers back which were relayed to Rudolph. Rudolph then modeled their fire suppression system around these numbers and now that the system is close to operational, we are finding out that the numbers previously provided were not accurate. The District is providing the pressure and flow promised in their Agreement with Rudolph but this is much less than what their system was design for. The City, District and Rudolph have met and are trying to determine what can be done to provide Rudolph with the flow/pressure needed to support their new system and hence the study being completed by AECOM to explore potential

public and/or private solutions to this. This study will take approximately 30 days to complete. Mr. Hartley added that an issue was raised when we ran fire hydrant tests out at Rudolph that the 3<sup>rd</sup> pump at the St. John's booster was not coming on in one of the test which is an issue the City is working on nor was the jockey pump. Mr. Kayatin also mentioned that the District surveyed some residents in the area of Rudolphs who are connected to the Southeast Waterline and there are some reports of sputtering with the water, especially in the morning. Mr. Kayatin stated he thinks those issues can be solved once the City fixes the issue of the 3<sup>rd</sup> pump not coming on. Mr. Kayatin made a motion to authorize the Chair to enter into the Agreement with AECOM. Second by Mr. Hartley. Motion carried 6-0.

### **Assignment and Assumption Agreement**

- The Assignment and Assumption Agreement went into effect September 1, 2020. Mr. Kayatin and Ms. Stiles are continuing to work on tidying up a few Exhibits.
- A letter to County customers has been drafted and will be sent out closer to the end of the year. Ms. Stiles will coordinate with the Sanitary Engineer's Office.

### **Projects**

**Shawnee/Hume Potential Waterline Project** – Survey to be sent to property owners.

#### **East Regional**

- a) Contract A (Westminster to/including the Village Harrod) – PTI has been received  
Contract B (North of Village of Harrod to/including Lafayette) – Submitted to EPA  
Contract C (Fireline for School and Elevated Tank) – Plans to be submitted to EPA within a week
- b) Easement packets have been mailed out. Follow up phone calls are being made in an effort to expedite the easement acquisition process.
- c) September Project Update sent to the Villages and Townships.
- d) RCAP has started the process of entering our CDBG applications for each Village, Harrod and Lafayette, requesting \$750,000 grant each. Ms. Stiles asked the Board if we want to include the connections for LMI households in the CDBG grant. Mr. Kayatin stated he thinks the District should put all the CDBG toward construction. If these are not included in the CDBG funds, an alternate plan needs to be created for assistance with LMI connections. Mr. Kayatin suggests we proceed with an alternate plan and confirm this information with RCAP.
- e) Interim Financing – More Discussion
- f) Letter drafted to be sent to property owners regarding new well permitting process being implemented by the Health Department. Village of Lafayette would like to notify residents sooner rather than later.

**Master Plan Study (Node Map)** – The District is working on drafting the remainder of the RFP.

September 9, 2020 Board Minutes

**Feasibility Study for Gomer** – The project committee has determined that option 6 is preferred option. 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.

6. **ATTORNEY’S REPORT** – None

7. **TREASURER’S REPORT**

Revenue and Expense Reports for August 2020 (Month-to-Date and Year-to-Date) for funds 8750, 8751, 8752 and 8753 are available in the Reference Packet. Current cash balance total for all AWD funds as of 8/31/20 is \$1,866,891.48. Here are the cash balance totals for each fund as of 8/31/2020:

8750 Project Debt Service – \$625,772.25	8753 External Capital Reserve – \$422,840.16
8751 Operating Fund – \$643,100.05	8754 USDA Debt Reserve – \$0
8752 Internal Capital Reserve – \$175,179.02	8755 USDA Reserve – \$0

\*Fund 8756 – New County Reserve Fund has been requested.

2018-2019 Audit – A draft Audit Report has been received with one finding noted. A supplemental appropriation may be necessary as we are quickly approaching our original budgeted amount of \$15,000.

2<sup>nd</sup> Half 2019 Assessments were received on August 5<sup>th</sup> in the amount of \$191,240.05.

The Audit and Finance Committee met prior to today’s meeting and the discussion items were as follows:

- Approve June 10, 2020 Audit and Finance Meeting Minutes
- Review 2018/2019 Draft Audit
- East Regional – Interim Financing Discussion
- 2021 Budget Items – Review 2018/2019/2020 Budget Comparison
- Date for next Audit and Finance Committee Meeting

Mr. Miller stated the Audit and Finance Committee recommends pursuing interim financing for our East Regional Waterline Project through OWDA. Mr. Kayatin stated for his sewer project he is going to lock in the interest rate with USDA. Mr. Kayatin stated that by doing the interim financing, we are not locking in the current interest rate. The current advance loan rate of OWDA is 1.05%. USDA’s current rate Mr. Kayatin stated is 1.87%. Ms. Stiles explained that part of Intergovernmental Agreement dictates the District can’t own the lines until substantial completion and that is to appease the CDBG funding source. If we don’t do interim financing, the District would own the lines from the beginning and the Intergovernmental Agreement would need reworded to reflect this IF CDBG is open to this which we don’t believe they would be.

**MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #20-018 TO AUTHORIZE CHAIR, DR. BIERY, AND TREASURER, MR. MILLER, TO APPLY FOR, ACCEPT, AND**

**ENTER INTO A COOPERATIVE AGREEMENT FOR INTERIM FINANCING OF THE EAST REGIONAL WATERLINE EXTENSION BETWEEN THE ALLEN WATER DISTRICT AND THE OHIO WATER DEVELOPMENT AUTHORITY AND DECLARING AN EMERGENCY.**

Second by Dr. Biery. Roll Call: Dr. Biery – yes, Mr. Lucas – yes, Mr. Kayatin – no, Mr. Miller – yes, Mr. Gosnell – absent, Mr. Hartley – no, Mr. Kessen – absent, Mr. Neeper – absent, Mr. Leis - no. Vote is 3-3 tie. Motion is defeated.

**MOTION MADE BY MR. MILLER TO APPROVE SEPTEMBER 2020 TREASURER'S REPORT.** Second by Mr. Hartley. Motion carried 6-0.

8. **CPA REPORT** – Given at beginning of meeting.
9. **OLD BUSINESS** – Nothing to report.
10. **NEW BUSINESS** – Nothing to report.
11. **BOARD MEMBER COMMENTS:** None.
12. **PUBLIC FORUM:** None
13. **EXECUTIVE SESSION:** None
14. **ADJOURNMENT:** Motion for adjournment made by Mr. Miller at 3:29 p.m. Seconded by Mr. Kayatin. Motion carried 6-0.

ATTESTED:

  
Chairman

  
Date

  
Secretary

Date