

Allen Water District

3230 North Cole Street

Lima, Ohio 45801

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'Addressing the water needs of the Community'

June 13, 2018 Board Meeting Minutes

There was an Allen Water District (AWD) board meeting held on **Wednesday June 13th, 2018, at 5:02 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 9, 2018
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

Mr. Biery

Mr. Lucas

Mr. Miller

Mr. Kayatin

Mr. Kessen

Mr. Gosnell-Absent

Mr. Hartley-Absent

Member At Large

Member At Large

American Twp Representative

County Representative

Perry Twp Representative

Shawnee Twp Representative

Bath Twp Representative

STAFF

Mr. Huffman – AWD Attorney

Kimberly Stiles – Clerk of the Board

PUBLIC –

Sam Shriver – Lima News

Laura Bassitt – Village of Lafayette

Ron Moots – Village of Lafayette

Brent Bassitt – Village of Lafayette

Robert Hutchison – Village of Lafayette
Jeff Stiltner – Village of Lafayette
Ryan King – Village of Lafayette

2. PLEDGE OF ALLEGIANCE

3. ADDITIONS, CHANGES OR CORRECTIONS TO AGENDA – None

4. Dr. Biery acknowledged the visitors from Lafayette and Mrs. Stiles reviewed the Outline for their Public Meeting to be held in July. Question asked about bringing the water from somewhere other than Westminster and Mr. Kayatin explained that the pressure is the best coming out of Westminster. Mr. Kayatin also explained that we were going in with a conservative number as we are only looking at those within the Villages connecting so the hope is that the per month price goes down substantially once users outside of the Villages sign on for water. The District is not including property owners outside the Village for a few reasons, specifically due to applying for CDBG funds. The District will send a letter to all of those outside of the Villages to let them know about their connection options. Those outside the Villages who do connect and sign a waiver will help lower the cost. Mr. Kayatin also explained those who do not sign on for water initially, will **not** be offered the time payment option. They will have to pay cash. Those who sign up later (paying cash), their connection fee will go toward paying off the debt sooner. Everyone, inside or outside of the Villages, will have the opportunity to pay in cash. If the debt is paid off sooner, there is no refund to those who paid in cash. Mayor asked who operates and maintains the lines and Mr. Kayatin answered the City of Lima operates and maintains the lines but NOT the fire hydrants. The District will need to have an agreement with each Village regarding the operation and maintenance of the fire hydrants. It was asked if the Village of Harrod bows out, would the cost estimate be the same. Mr. Kayatin stated the estimates would have to be refigured. The District will require formal action by the Villages stated they are still in and moving forward. Will both Villages cost be similar and Mr. Kayatin stated yes. It was asked if Harrod's sewer prices would have to be increased and Mr. Kayatin stated USDA set the number at \$69/month and disregarded the MHI. It was also discussed that the District may charge a District fee if the per user cost comes in at less than \$69/month. Once you are in, a Cooperative Agreement will be laid out to detail who is responsible for what. It was asked if a commercial/industrial customer came in, how would it be charged. Mr. Kayatin stated they would be charged the same as any other commercial/industrial customers in the District. It was stated that the District plans to hold two separate meetings with each Village. Mayor asked about some residents who are close to the Village boundary but still outside. They are showing as being served in the Preliminary Water Study. Should those be included since they are not within the Village? Those residents (16 homes on 2 different roads) do not want annexed. Do we stop the lines at the municipal boundaries and have them do their own extension or include them with the Village if it reduces the cost? Mr. Kayatin stated we would find that out if these homes were included in the count for Lafayette. Requested Lafayette give us a few dates and a location. They stated the Fire Department should work as a location. The meeting will tentatively be held in the 2nd half of July.

5. APPROVAL OF MINUTES

Mr. Miller made a motion to approve May 9, 2018 minutes. Second by Mr. Kayatin. Motion carried 5-0.

6. CLERK OF BOARD REPORT

Mrs. Stiles stated that there were **5 permit inquiries** since last month's meeting:

- David Kesler of 3581 Diller Road inquired about a water permit. This waterline was put in with the Diller/Eastown/Franks Waterline Project and he is currently being assessed on his property taxes.

- Brian Rader of Burden Construction inquired about a water permit for 4127 Magnolia. This permit cost would depend on which line is being tapped as this lot is on the corner of Magnolia, Lakeshore and Zurmehly. If tapping on Lakeshore or Magnolia, the permit fee would be \$2,500 Standard Capital Permit Fee plus \$450 SCC for a 5/8" meter. If tapping on Zurmehly Road, the permit fee would be \$6,500 based on the Zurmehly Road Waterline Extension Project.
- Jennifer of Wellman Services inquired about a water permit for 3524 Weldon Drive. This permit would be \$2,500 Standard Capital Permit Fee plus \$450 SCC for a 5/8" meter totaling \$2,950.
- Steve Farmer of 3900 McPherson Road inquired about tapping SE Regional line that fronts his property on Schooler Road. Permit would cost \$6,300 for 1 ESFU.
- Jill Jacobs of McPherson Road inquired about obtaining water on Hanthorn Road. She has purchased approximately 20 acres behind her home with a small amount of front footage on Hanthorn and would like to tap into SE Regional Waterline on Hanthorn Road. Is this possible now that she owns property with frontage to Southeast Waterline?

Mrs. Stiles stated that **7 Capital Permits** were issued since last month's meeting:

- Renne Riggle of 1715 Camp Ave. County put in line with grant money and turned over to the District. No charge permit.
- Troy Breidenbach of 3201 N. West St obtained water permit for his property. This waterline was put in with McDonel Project and assessment has been being paid on property taxes over the last 25 years.
- Roger Wright purchased a water permit for 2897, 2899 and 2901 Riverwalk. These 3 addresses were purchased with one 1 1/2" meter totaling \$9,300. (\$2,500 for each condo = \$7,500 + Supplemental Capital Charge of \$1,800 for a 1 1/2" meter).
- David Baxter of 3511 Town Street obtained a water permit for his property. This waterline was put in with the Allentown Project and assessment is being paid on property taxes.
- No charge permit issued to Peterson Construction for the Juvenile Detention Center being built at 3050 N. Cole Street. This CPF is paid to the County for the section of Cole Street from Diller Road to the ACSE drive. The Detention Center will, however, be an Allen Water District customer.
- LBC Investments purchased 2 water permits for 3467 and 3469 Camden Place. Both are condominiums approximately 1300 square feet so .75 ESFU's. \$2500 x .75=\$1,875 per condo plus \$450 Supplemental Capital Charge for each, totaling \$2,325/permit.

Mrs. Stiles stated there were **no extension inquiries** since the last meeting:

District Policies and Procedures – Operational Policies and Procedures to be worked on.

GIS Updates – Lines to be added if they are not in GIS. Maps still need to be scanned in. Contacted guidance counselor at Bath High School and acquired a list of students (interested in math/science/gis) who are interested in scanning the maps this summer. Looking at paying roughly \$10/hour for part time help with scanning. Questionnaire sent to those interested to narrow down the candidates and choose 2-3 to interview.

By-laws, Policies and Procedures

Update on Connection Fee Discussion

- Meeting held June 1st at 9 a.m. with AEDG, Great Lima Region, Inc., County, City of Lima and the District to further discuss the plan for reducing the Capital Permit Fee. This was a very productive meeting and County, District and City of Lima all on same page with lowering their CPF to \$500. AEDG/Greater Lima Region excited to help advertise this as tool to spur economic growth in the County/region as well as demonstrate to County residents the collaborative efforts displayed by the 3 entities: Allen County, City of Lima, Allen Water District.

By-laws Committee Meeting

- Meeting held on Monday, June 11, 2018 to discuss revisions to Deposit, Fee and Charge Schedule Policy needed due to changed being proposed to Capital Permit Fee and Supplemental Capital Charge. Policy last formally revised in August 2011. Please see the Review Version as well as the Clean version included in the District Regulations. Discussion of having Study Session in the next few months to review the proposed changes to the Deposit, Fee and Charge Schedule Policy.

MOTION MADE BY MR. KAYATIN TO APPROVE RESOLUTION #18-017 TO ADOPT THE 2018 REVISION OF THE DEPOSIT, FEE AND CHARGE SCHEDULE POLICY WHICH INCLUDES REDUCING THE CAPITAL PERMIT FEE IN NON-ASSESSED AREAS TO \$500 PER USER EQUIVALENCY. Second by Mr. Kessen. Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Gosnell-absent, Mr. Hartley-absent, Mr. Kessen-yes.

Mrs. Stiles review the 4 main changes to the Deposit, Fee and Charge Schedule:

1. Reduction of the Capital Permit Fee from \$2,500 to \$500 per ESFU in non-assessed areas
2. Removal of the Supplemental Capital Charge based on meter size (Table 2.2)
3. Removal of reduction in permit fee cost based on multiple ESFU's (Table 2.3)
4. Table 2.1 Project Permit Fee has been updated with new projects including Lima Pallet and Eagle Rail

Looking at an effective date of July 2nd and also looking at reviewing this annually. Mr. Kayatin noted it may take 3 years or so to see any results but will still want to get together to discuss.

Mr. Kayatin noted that the District will need to make a decision as far as a reimbursement period on how far back the District would go. Mrs. Stiles will look into this to determine what the liability would be to the District.

Mr. Kayatin stated the County is looking at passing something similar toward the end of June and the City of Lima is looking at doing the same.

Contracts and Agreements

East Regional Waterline

- Conference call held on May 10th with USDA, Greg Otey of Prime AE, Steve Kayatin, Jack Hartley and Kim Stiles to discuss the East Regional Waterline. USDA concerned with the

District's financials. USDA requested a list of items from the District. The District sent an e-mail on May 22nd to Mary and Shirley of USDA and attached all requested items.

- Response received from USDA and they are requiring the following as conditions of USDA's involvement:
 1. Allen County must be the borrower.
 2. The City of Lima must have a separate enterprise fund for monies for this project.
 3. No fees may be charged by the District or the County.
- Another conference call held with USDA on June 13th to further discuss the conditions laid out by USDA and attempt to explain the reason for the District's involvement in this particular project as well as the importance of the District's existence in general. Mrs. Stiles reported that after the June 13th conference call, of the above 3 conditions, number 2 is still required but 1 and 3 are negotiable. Mr. Kayatin has put a call into Mike Caprella and we are waiting on a response.
- Mr. Kayatin asked Mr. Huffman if he thought we should try to get a letter from OWDA detailing our repayment history to show our on time payments and that the District is in good standing with OWDA. Mr. Huffman stated it will be a good process to go through with USDA and it will get the District in a good standing with USDA.
- Public Meetings to be held with each village to present the Source and Use of Funds (looking more like July). District will meet with each Council prior to public meetings to give overview of items to be discussed as well as listen to any feedback from the Council to ensure all items are addressed. Met with Village of Lafayette at the beginning of this meeting.
- Draft MOU to be prepared to outline each party's responsibilities depending on response from each Village after their public meetings. Contracts Committee will meet to review and then information will be sent to Mr. Huffman to frame an agreement.

Lima Pallet Waterline – Allen County Commissioners signed Bill of Sale on June 7th at their weekly meeting transferring ownership of Lima Pallet Waterline to the District.

County Waterline Lease Agreement

- The District has received response from Mike Caprella that the Mayor is on board enough with the idea to look at a Draft Waterline Lease Agreement. Mr. Kayatin will work with Mr. Huffman and Mrs. Stiles to draft.
- **WTLW** – Contracts Committee developing draft Agreement to be reviewed by WTLW for Baty Road Waterline Extension. Hoping to have WTLW sign prior to July's Board Meeting.

Projects

Diller Road

- a) Notice to Bidders advertised in Lima News on June 8th and June 15. See page 17 in Reference Packet.
- b) Bid Opening scheduled for June 22nd at 10 a.m. at the District's Office in the small conference room.

Village of Elida Loop

- a) Meeting held with Dave Metzger - Village Administrator for Elida, Larry Huber – City of Lima Utilities and Jack Hartley – AWD Project Coordinator, on May 23rd to discuss the potential looping options with Diller Road being the most optimal.
- b) Julie Ward, RCAP, didn't think there was much funding available for this but Dave stated that his Engineer thinks it would be eligible for some OPWC funding. May develop into potential future project but had to move forward with Diller Road East Waterline Project due to time constraints.

Raabe Ford

- a) Ballard to be placed in front of flushing station to protect it as it is situated beside a parking lot

W. Breese Road Waterline Extension

- a) Informational Meeting to be held on Tuesday June 26th at 6 p.m. to present the water and sewer information to the property owners. Board is welcome to attend.
- b) How much is AWD willing to contribute to this project?
Mr. Kayatin made a motion that the per ESFU amount for this project be no lower than \$6,300 with a maximum AWD participation of \$15,000. Second by Mr. Miller.
Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Gosnell-absent, Mr. Hartley- absent, Mr. Kessen-yes.

McClain Road Request/Ray Magnus

- a) Mr. Hartley and Mrs. Stiles held meeting with Mr. Magnus on May 31st to show him some potential route options and rough estimates for those proposed routes.
- b) Mr. Magnus is willing to survey property owners along the most optimal route(s). District will provide him with addresses.
- c) Information still needed from the City of Lima regarding what AECOM has as far as the layout for this part of the County. Some pressure testing may also need performed by the City of Lima.
- d) Mr. Magnus was informed that this project is probably about 5 years out due to the amount of funding that is probably needed with the District being a potential source of funding.

Mr. Kayatin stated he could see the east/west routes being 12 inch and the north/south routes being 8 inch. Mrs. Stiles stated she would try to touch base with Mike again with the City of Lima to see what he thinks would be the best route.

Fourth Street – Mr. Kessen asked about this potential project and where the District was on that and if the District ever breaks projects down into phases. Mrs. Stiles stated this project is still in the early stages and the District is looking at possibly sending out a second survey to those who did not respond to the first. Mr. Kayatin stated also that the District would need to get with Mike Caprella to see what the City is willing to put in. Mrs. Stiles stated that there is a definite cost savings by doing the whole project at once as well as the concern for spreading that cost of going under 75 to as many customers as possible.

COMMITTEE REPORTS

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

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

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

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

7. **ATTORNEY'S REPORT** – Mr. Huffman introduced his law partner, Carl Ireland, to the Board. He also talked about bringing a representative from CORD to the District's next meeting as he thinks this would be beneficial to both the District and the CORD representative.

Mr. Huffman also said to keep an eye on House Bill 620 pending legislation that effects the requirements that water providers can place on water agreements. Mr. Kayatin heard this bill was dead. Mr. Huffman stated it may not be as big of a deal here in Lima. Mr. Kayatin thinks this is aimed at the City of Columbus.

8. **TREASURER'S REPORT** –

- 2017 Basic Financial Statements for the Years Ended December 31, 2017 advertised in the Lima News on May 24, 2018.
- Revenue and Expense Report for May 2018 (Month-to-Date and Year-to-Date) available on page 22 in the Reference Packet. Current cash balance as of 5/31/18 is \$1,316,288.75. OWDA payment has been made in the amount of \$440,896.83.
- Effective Friday, June 22nd, e-mail notifications of direct deposit will be stopping and you will need to log into the Employee Self Service (ESS) Portal to view your paystub and other information. Handout detailing instructions should be in your binder along with the web address, your username and password. Your initial password is the last four digits of your SSN but it should prompt you to create a new one once you log in.
- Audit and Finance Meeting will be held next month on July 11th at 2:30 p.m. prior to regularly scheduled Board Meeting.

MOTION MADE BY MR. MILLER TO APPROVE TO APPROVE MAY 2018 TREASURER'S REPORT. Second by Dr. Biery. Motion carries 5-0.

Mr. Kayatin noted that the District needs to meet with Rachel. Mrs. Stiles stated that Lisa and Nikki are available and willing to meet whenever.

9. **CPA REPORT** – Nothing to report.

10. **OLD BUSINESS** –

MOTION MADE BY MR. KESSEN TO APPROVE RESOLUTION #18-015 TO AUTHORIZE CHAIR, DR. JOHN BIERY, TO SIGN AND ENTER INTO A LEASE AGREEMENT WITH THE ALLEN COUNTY COMMISSIONERS FOR OFFICE SPACE LOCATED AT THE ALLEN COUNTY SANITARY ENGINEER'S OFFICE AT 3230 NORTH COLE STREET, LIMA, OH 45801. Second by Mr. Miller. Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Gosnell- absent, Mr. Hartley- absent, Mr. Kessen-yes.

11. **NEW BUSINESS** –

MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #18-016 TO APPROVE ELECTION OF THE EXISTING SLATE OF OFFICERS TO A TERM COMMENCING MAY 1, 2018 TO APRIL 30, 2019. Second by Dr. Biery. Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Gosnell- absent, Mr. Hartley- absent, Mr. Kessen-yes.

Mr. Miller made a motion to accept the Chair's 2018 Committee Appointments. Appointments are as follows:

Contracts and Agreements Committee:

1. Dr. Biery, Chair
2. Mr. Miller
3. Mr. Hartley

Projects Committee

1. Mr. Hartley, Chair
2. Mr. Gosnell
3. Mr. Kayatin

Audit and Finance Committee

1. Mr. Miller, Chair
2. Mr. Gosnell
3. Dr. Biery

By-laws, Policies and Procedures Committee

1. Mr. Lucas, Chair
2. Mr. Kessen
3. Mr. Kayatin

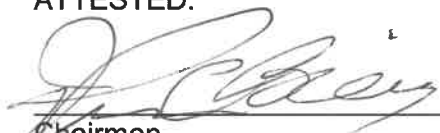
Second by Mr. Kayatin. Motion carried 5-0.

12. BOARD MEMBER COMMENTS: None

12. ADJOURNMENT

Motion for adjournment made by Mr. Kessen at approximately 7:00 p.m. Seconded by Mr. Miller. Motion carries 5-0.

ATTESTED:


Chairman

7/19/18
Date


Secretary

7/19/18
Date