

Allen Water District

3230 North Cole Street

Lima, Ohio 45801

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

allenwaterdistrict@allencountyohio.com

"Addressing the water needs of the Community"

July 11, 2018 Board Meeting Minutes

There was an Allen Water District (AWD) board meeting held on **Wednesday July 11th, 2018, 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 – June 13, 2018
5. Clerk of Board Report
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 5:00 p.m. and proceeded with the agenda.

1. ROLL CALL

Mr. 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

Mr. Huffman – AWD Attorney

Kimberly Stiles – Clerk of the Board

PUBLIC –

Scott Strahley – Kohli & Kaliher

Andy Caprella – Village of Harrod, East Regional Project Committee

Tom Ekleberry – Village of Harrod, Council

Mitch Smith – Village of Harrod, BPA

Will Emerick – Village of Harrod, Solicitor

Derick Smith – Village of Harrod, BPA

2. PLEDGE OF ALLEGIANCE

3. ADDITIONS, CHANGES OR CORRECTIONS TO AGENDA – None

Dr. Biery acknowledged Mr. Kevin Strang from CORD who gave a brief overview of what CORD does and the benefits of being a member.

Dr. Biery acknowledged the visitors from Village of Harrod and Mrs. Stiles reviewed the Outline for their Public Meeting to potentially be held in August. BPA and Council members from Harrod introduced themselves. Question was asked if the waterline layout would be shown during the presentation showing the streets and the answer was yes but it is all preliminary since no survey has been completed yet. It would be subject to change. Andy Caprella is wanting to hold the meeting next week on the 19th will help ease some fears and get the Village people an update. Andy also wants to tell the people about the income survey being sent out. Harrod wants to know what happens if Lafayette opts out or Harrod opts out? District would have to refigure the numbers and go back to the Village still on board. Andy Caprella also wants to tell the people about the City of Lima reduced tap in fee. Mr. Ekleberry wanted to ask about frontage and it was answered that it is based on User Equivalency. Andy also spoke about Council making the connection mandatory and Mr. Kayatin stated that will need to happen. Andy also talked about those who do not connect will still be charged every month for the debt. USDA wants the loan paid. It was asked what the time frame is that the Villages need to respond whether they are on board or not. Mr. Kayatin would like to know by end of September if the meetings are held in August. So, a month or two after the meetings are held. Mr. Kayatin stressed that we want to make sure the people are comfortable. It was asked if the \$69/month would be a flat fee and Mr. Kayatin stated yes. Mrs. Stiles stated that number includes the usage which will fluctuate by home but the District used an average usage for a HH of 4. There will be a minimum bill for debt and there is a minimum bill for water. It was asked how often the rates increase and Mr. Kayatin stated he had a graph to show the increases and that they do go up but they also have many EPA restrictions that they have to meet. It was asked if wells had to be abandoned and Mr. Hartley answered that the well needed to be disconnected from the indoor plumbing. The District thanked the visitors from Harrod for coming.

Mr. Strahley addressed the Board re: Diller Road. The bids came in high. This is a very difficult time for bidding projects right now unfortunately. Original bid was for 8" c900 and alternates for 12" c900 and 8" and 12" ductile iron. Mr. Strahley states the 8" line is more than adequate to serve the 12 homes along Diller Road however this line is sandwiched in between 2 12" lines so leaving it at a 12" line is probably a necessary evil. Larry stated c909 is the District spec. Mr. Strahley was asked to prepare a new estimate and presented it to the board totaling \$219k. The difference is due to jumping from an 8" to a 12" and using the bids received to create approximate construction costs. May be wise to ask the City of Lima to contribute with the oversizing. City of Lima wants the 12" line. Mr. Kayatin stated there should be a request made to the City of Lima to help with that cost. Mr. Strahley felt that to hold off and bid in the fall would be our best bet and that we would receive much better bids. Mr. Miller asked when the project started and when it was given to K&K and Mr. Hartley answered October and December respectively. Mr. Miller stated property owners are upset that it is taking so long and he thinks we owe the property owners an explanation. Mr. Miller asked what took so long to get it out to bid. Mr. Strahley stated permitting and design took quite a while and EPA took quite a while to

approve. Mr. Strahley stated the price of plastic pipe fluctuates based on the price of petroleum. He states the estimate is based on prices now/bidding climate now. Mr. Miller stated the letter to property owners should state bids came in high and had to reject by law and we would like rebid in the fall. Mr. Kayatin asked if we should move ahead or wait and see if any money available to do this Elida loop. Dr. Biery agreed to rebid in the fall. Scott recommended the Board relook at the estimate with K&K in September. Mr. Kayatin asked if the District could purchase the c909 now? Mr. Miller asked Mr. Strahley to find out how much c909 is available and the price from EJ Prescott and Mr. Strahley stated he would get that to us tomorrow. Mr. Kayatin stated he would contact Mike Caprella to see if the City is able to contribute.

4. APPROVAL OF MINUTES

Mr. Miller made a motion to approve June 13, 2018 minutes. Second by Mr. Hartley. Motion carried 7-0.

5. CLERK OF BOARD REPORT

Mrs. Stiles stated that there were **3 permit inquiries** since last month's meeting:

- Eric Layman of Layman and Sons Construction inquired about permit for 3900 Running Oak. \$500 Standard Capital Permit Fee.
- Nathan of Blass Construction inquired about permit for 3524 Weldon Dr. \$500 Standard Capital Permit Fee.
- Tina Chambers of 5360 Ottawa Road inquiring about cost of permit to tap. This was put in with the Cairo project and cost to connect is \$26/month multiplied by # of months since January 2014 (55 months) = \$1430 and then the \$26/month goes on the monthly water bill.

Mrs. Stiles stated that **2 Capital Permits** were issued since last month's meeting:

- Michael Lyons of 3456 Redbud obtained permit. Parcel 46-1611-04-002.000. This waterline was put in with the Shawnee Phase 1 Project and is currently being assessed on his property taxes. No charge permit.
- No charge permit issued to Bernard Snyder of 4843 E. Bluelick Road. Parcel 37-1104-01-031.000. This waterline was put in with the Bluelick/Thayer Project and currently being assessed on the home owner's property taxes.

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

Part-time Scanner – Hired part-time help, Cole Parlapiano, to scan in maps, permits, etc.

Improvements/Changes:

Possible Name Change for District?? Mr. Kayatin discussed changing the name to West Central Ohio Regional Water District. Mr. Huffman stated it fits if you are going to extend outside your borders. Mr. Kayatin makes a motion to change the name of the Allen Water District to the West Central Ohio Regional Water District. Mr. Miller seconded that motion.

Mr. Huffman outlined the process stating we would have to petition the court and change the judgement entry and notify constituents letting townships know what we are doing. Mr. Huffman asked if the District is ready to go outside Allen County and Mr. Hartley stated yes. Mr. Huffman states it normally takes 90 days. Motion carried 7-0.

District Policies and Procedures – Operational Policies and Procedures to be worked on. A few new policies need created (in accordance with our audit (actually agreed upon procedures)).

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

- Press Conference held on June 28, 2018 at 10 a.m. at the County Commissioner's Office to show collaboration among the District, City and County and unveil the fee schedule adopted by all 3 entities.
- Several articles in the Lima News detailing the reduction in the CPF (tap in fees):
 - June 14th – Covered AWD reduction CPF for non-assessed areas
 - June 21st – Covered COL reduction in tap fee for residents outside the City/elimination of tap fee for those inside the City
 - June 28th – Covered the County's reduction in their water and sewer fees as well as the collaboration between the City of Lima, Allen County and the Allen Water District.
- Board needs to review whether there will be any lookback period for potential refunds for those who purchased a \$2500 CPF + SCC and whether that would be for contractors or residents only. Mrs. Stiles stated there was one permit purchased in a non-assessed project area by a homeowner from 1/1/18 to present and the homeowner has requested a refund. Mr. Hartley made a motion looking at a refund for any CPF's issued to primary resident owners in a non-assessed project area that paid the fee from 1/1/18 permit issue date to 7/1/18 (date the standard CPF was reduced). Mr. Miller seconded the motion. Motion carried 7-0.

Study Session

- Review recent changes to Deposit, Fee and Charge Schedule and possibly look at some GIS changes

- Thoughts on combining this with August or September meeting? Perhaps we hold afternoon study session prior to meeting? What about possibly combining this with our annual cookout? Board agreed to hold study session on August 8th at 4pm immediately prior to the next Board meeting and having the annual cookout immediately following the meeting.

Contracts and Agreements

Office Lease Agreement

- Lease has been signed by AWD Chair and the Allen County Commissioners with term date of April 30, 2022.

East Regional Waterline

- District had short meeting with Mike Caprella and Randy Bartels, Auditor for the City of Lima, on Thursday, June 21st to discuss the possibility of District Fees as well as debt service fees being housed by the City in an enterprise fund. After some discussion, it was determined that the City's Water Revenue is indeed a separate enterprise fund. This information was relayed to USDA along with a COL Water Revenue Report to show how the fees are currently collected as this was a non-negotiable requirement of USDA. District awaiting response from USDA. Per phone call to USDA on July 10, 2018, they will be reaching out to Randy Bartels for some verification that the District Fees and debt service money associated with the East Regional Project can't be transferred out of those accounts for any other reason than to go to the District.
- Mr. Huffman stated that NWWSD has worked with USDA quite a bit and that they would be willing to help the Allen Water District through this process. He stated that may make Mary Carr happy to know.
- Public Meetings to be held with each village to present the Source and Use of Funds. District met with members of Lafayette's Council and BPA at the June Board Meeting and plan to meet with Harrod at this meeting. District is hoping to present information to Villages in August as still waiting on go ahead from USDA.
- 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.

County Waterline Lease Agreement – The District has been working with Mr. Huffman to draft an agreement. Mr. Huffman thinks all items could be addressed in an operator's agreement versus a lease with approval of the agreement from the City of Lima. The waterlines would still be owned by the County but AWD would provide management and administrative duties while the City of Lima would cover the water supply, operation and maintenance of the distribution system through the AWD-City of Lima Agreement. Mr. Huffman stated the impending problem is who will pay for the replacement of County lines. Mr. Kayatin stated the County will outline their requests and the District will need to make sure the City of Lima is willing to accommodate any requests. Mr. Kayatin stated the County would want the County fee to be held separate from District funds.

WTLW – Mr. Huffman will add some waiver language to the draft agreement for Baty Road Waterline Extension to cover the monetary costs and who is responsible. Once comment received,

the Contracts Committee will meet to review as well. From there, the draft agreement will be sent to WTLW to be reviewed/signed.

Projects

Diller Road

- a) Bid Opening held on June 22nd at 10 a.m. at the District's Office. 2 bids received and both exceeded 10% of the Engineer's estimate so unable to award. Bid tabs included on pages 10-11 in Reference Packet.
- b) Project Committee met on 7/3/18 to discuss the bids. Poor bidding climate and an increase in material costs determined to be the reason for the high bids. Project Committee recommends rebidding this project in the fall.
- c) Meeting held this morning with Mike Caprella and Larry Huber of City of Lima to discuss pipe size and material for Diller Road.

Village of Elida – Potential looping via Diller Road

- a) Dave Metzger, Village Administrator for Elida, attend this morning's meeting as well to discuss the potential looping.

W. Breese Road Waterline Extension

- a) Informational Meeting held on Tuesday June 26th at 6 p.m. to present the water and sewer information to the property owners. Approximately 4 of the 12 homeowners attended.
- b) AWD contribution motion at last meeting was a maximum of \$15,000 with the per user amount to be no lower than \$6,300. High estimate was used since there was some back and forth between District and engineer to determine exactly where the line should end.
- c) Letter sent to affected property owners (fact sheet included) requesting written position on potential project by August 3rd so that Board can review at August 11th meeting.

McClain Road Request/Ray Magnus

- a) Discussed with Mike Caprella at this morning's meeting what the potential best route to serve Mr. Magnus would be. Mike will try to get node map from AECOM. Larry Huber will get more flow numbers to the District and then optimal route will be chosen. Mr. Hartley stated the mobile home park on Delong would like water. Mr. Kayatin stated they may get CDBG money. Mr. Magnus is willing to survey.

Lutz Road

- a) Jesse Sanchez called requesting another survey be sent to property owners due to decrease in COL tap fee. He thinks this may have an effect on survey response.
- b) Previous response to survey sent in August 2017 was:
Lutz Road: 11 yes, 16 no, 8 no response, Stewart Road: 11 yes, 10 no, 8 no response
Total Project: 22 yes, 26 no, 16 no response

Mr. Kayatin and Mr. Hartley said to go ahead and do another survey.

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)

6. **ATTORNEY'S REPORT** – None.

7. **TREASURER'S REPORT**

- Revenue and Expense Report for June 2018 (Month-to-Date and Year-to-Date) presented in Reference Packet. Current cash balance as of 6/30/18 is \$1,231,576.76.
- Audit and Finance Meeting held today at 3:30 p.m. prior to regularly scheduled Board Meeting. Items discussed:

- ↓ 2019 Preliminary Budget
- ↓ 2018 Supplemental Requests
- ↓ New Fund Structure
- ↓ 2016/2017 Audit
- ↓ Ending S.R. 309 Assessment on real estate taxes
- ↓ Date for next Audit and Finance Meeting set

MOTION MADE BY MR. MILLER TO APPROVE JUNE 2018 TREASURER'S REPORT.

Second by Mr. Lucas. Motion carries 7-0.

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

9. **OLD BUSINESS** – Nothing to report.

10. **NEW BUSINESS** –

MOTION MADE BY MR. KAYATIN TO APPROVE RESOLUTION #18-019 TO APPROVE THE SUPPLEMENTAL REQUESTS MADE TO THE TWO THOUSAND EIGHTEEN BUDGET AS PRESENTED BY MERLE MILLER, TREASURER. Second by Mr. Hartley. Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Gosnell-yes, Mr. Hartley-yes, Mr. Kessen-yes.

MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #18-018 TO APPROVE THE TWO THOUSAND NINETEEN PRELIMINARY BUDGET AS PRESENTED BY MERLE MILLER, TREASURER. 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.

11. **BOARD MEMBER COMMENTS:** None

12. **PUBLIC FORUM:** None

13. **EXECUTIVE SESSION:** None

14. **ADJOURNMENT**

Motion for adjournment made by Mr. Miller at approximately 7:02 p.m. Seconded by Mr. Kessen.
Motion carries 7-0.

ATTESTED:

Kenneth C. Lucas 8-8-18
Chairman Date

[Signature] 8-7-18
Secretary Date