

# Allen Water District

3230 North Cole Street

Lima, Ohio 45801

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*"Addressing the water needs of the Community"*

## August 8, 2018 Board Meeting Minutes

There was an Allen Water District (AWD) board meeting held on **Wednesday August 8th, 2018**, at **5:03 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 – July 11, 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, Mr. Lucas brought the meeting to order at 5:03 p.m. and proceeded with the agenda.

### **1. ROLL CALL**

Mr. Biery - absent

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

Mr. Carl Ireland – Mr. Huffman's Associate, Spitler Huffman

Kimberly Stiles – Clerk of the Board

**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 July 11, 2018 minutes. Second by Mr. Gosnell. Motion carried 6-0.

#### **5. CLERK OF BOARD REPORT**

Mrs. Stiles stated that there were **6 permit inquiries** since last month's meeting:

- Pam Conley of 4255 Hanthorn Road inquired about permit fee to tap the line in front of her home. This is the Southeast Regional Waterline and the cost to tap is \$6,300 per ESFU
- Connie Murphy inquired about permit for 6526 Bellefontaine Road. This line was put in with the Southeast Regional Waterline Project and cost to tap is \$6,300 per ESFU.
- Joel of Tri-Point Homes inquired about permit fee for parcel 46-1800-02-005.000. This line was put in with the Southeast Regional Waterline Project and cost to tap is \$6,300 per ESFU.
- Brian Baker of Burden Construction inquired about permit fee for 2885 Riverwalk. This line was put in by the developer and would be a Standard Capital Permit Fee of \$500.
- Mr. Stedke of Hume Supply inquiring about permit fee to tap line on Hanthorn Road. This line was put in by the County through a developer's agreement. Standard CPF of \$500 would apply. 6,000 square foot warehouse (.1 EFSU per 1,000 feet = .6 ESF) with small office housing approximately 5 employees (.05 ESFU per employee x 5 employees = .25 ESFU) so using 1 ESFU.
- Alan Wilson of 6280 Bellefontaine inquired about permit fee to tap line on Bellefontaine. This line was put in with the Southeast Regional Waterline Project and the cost to tap is \$6,300 per ESFU.

Mrs. Stiles stated that **6 Capital Permits** were issued since last month's meeting:

- David Good purchased permit for 1590 Chancellor in Country Aire Estates. \$500 Standard Capital Permit Fee charged for 1 ESFU.
- Kingery Construction purchased a permit for 2576 Hillock in Monticello Subdivision. \$500 Standard Capital Permit Fee charged for 1 ESFU.
- Deborah Patton purchased a permit for 3447 Providence Circle. This waterline was put in with the McDonel Waterline Project and was a no charge permit as assessment has been paid on property taxes.
- Dave Gerdeman of 480 N. Eastown Road purchased water permits to tap the waterline in front of his home and the duplex he owns next door. This waterline was put in with the Eastown (Koop) Project and the permit fee for this project is \$4,220 per ESFU. So, \$4,220 was charged for 480 N. Eastown. Duplex has 2 bedrooms with laundry on each side which equals .75 ESFU x 2=1.5 ESFU's x \$4,220=\$6,330 was charged for the duplex at 500-502 N. Eastown Road.
- Quality Management purchased a permit for 5350 Lopez Drive for. This waterline was put in by a developer with the Dixie Hwy Extension to serve Sugar Creek and the \$500 Standard Capital Permit Fee was charged for 1 ESFU.

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

**Part-time Scanner** – Our part-time scanner is working out very well. We have all of the American, Bath and Perry Township waterline project maps scanned in so far and he is working on the waterline projects in Shawnee Township.

**CPF Refund** – Refund issued to James Neu of 2591 Alexandria for permit purchased on February 2, 2018.

### **Improvements/Changes:**

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

**Ottawa River Coalition** – Mrs. Stiles attended their July Bi-Monthly Meeting. Should the District consider becoming a member? Membership fee is \$100 annually. Mr. Kayatin made a motion that the District become members of the Ottawa River Coalition. Mr. Miller seconded that motion. Motion carried 6-0.

### **By-laws, Policies and Procedures**

**Study Session** - Study Session held immediately prior to today's meeting to review recent changes to Deposit, Fee and Charge Schedule and review the CPF Resolution passed in June.

### **Contracts and Agreements**

#### **East Regional Waterline**

- Public Meeting held with Harrod on Thursday July 19<sup>th</sup> at 7 pm. Overall, the response was pretty positive at this meeting. Mr. Hartley agreed that the information was well received and the residents seemed receptive. There are some water quality issues so they may be a reason for the good reception. District is hoping to present complete project information to the Villages in August/September. Article in Lima News covered this meeting. District is still waiting on the green light from USDA. Mr. Kayatin mentioned that USDA really wants assurance that the City of Lima can't touch the debt service fees for East Regional that the City of Lima will collect on the water bill. They are really wanting to understand the process between the City and the District.
- The Village of Lafayette would like the PowerPoint presentation presented to their Council first and will schedule a subsequent meeting with the Village once that has been completed.
- 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 operator's agreement between the County and the District 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. Draft will be sent to Board of Trustees once complete. Mr. Kayatin will send draft Agreement to the County Commissioners as well as the County Prosecutor.

**WTLW** – The Projects and Contracts Committee met on August 2<sup>nd</sup> to review the draft Agreement. A few revisions were discussed that Mrs. Stiles and Mr. Kayatin will incorporate into the Agreement. The Agreement will be reviewed by Mr. Huffman again and then send to WTLW to be reviewed. A meeting will be held with WTLW and the Contracts/Projects Committee to make sure everything has been addressed. The goal is for the Agreement to be signed by WTLW prior to the September Board Meeting so that our Chair can sign the Agreement at that meeting and the project can be put out for bid soon after. The goal is to have a signed Agreement by WTLW sent to the Board prior to next month's meeting. Need Board input on the following:

1. The District originally committed to going 50/50 on the waterline extension with WTLW with a cost not-to-exceed \$55,000. With the revised estimate at \$118,000, is the District willing to up their contribution to \$63,000? Mr. Miller voiced concern over having only a couple high bids and then what would happen. Mr. Kayatin stated that if we get it bid this fall, then that should not be an issue.

Mr. Kessen made a motion that the District increases their contribution to the Baty Road Waterline Extension Project to a not-to-exceed amount of \$63,000 with WTLW \$55,000 contribution remains the same. Mr. Hartley seconded that motion. The motion carried 5-1. It was discussed that as far as a recoupment goes, the District should recoup the first \$8,000 since they are contributing more to the project.

2. Is the District willing to be the bank on this project? Would the District be comfortable charging WTLW the current OWDA interest rate (3.33%)?
3. Should the District request WTLW put anything down and if so, how much?
4. What should the term of this Agreement be? Should the District allow WTLW to be assessed for 20 years? Should the recoupment stay in place for 20 years as well?

Mr. Kayatin made a motion to propose that WTLW's assessment be for a term of 10 years with an interest rate of 3.33% (OWDA's current rate), with a 10 year recoupment period and 50% of the \$55,000 down. Mr. Hartley seconded that motion. Motion carried 5-1.

Note: The Contracts and Projects Committees felt that the Capital Permit Fee associated with this project area should be calculated by front footage versus user equivalency due to the uncertainty of how parcels will be split in the future and what kind of buildings will be placed on said parcels.

## **Projects**

**Diller Road** - Letter sent to property owners on July 17<sup>th</sup> to give an update on project (high bids received and rejected due to more than 10% over engineers' estimate, another informational meeting to be held and hope to rebid project in the fall).

## **McClain Road Request/Ray Magnus**

District received flow numbers from Larry Huber (COL) and Project Committee determined that optimal route is Breese Road to McClain, South on McClain to serve Mr. Magnus, East on Amherst, North on St Johns to create loop. Estimate to be obtained for referenced route and survey will be sent to property owners.

**W. Breese Road Waterline Extension Overview** – Mrs. Stiles reviewed the details of this potential project asked the Board what the next step should be. Mrs. Stiles created a packet for each Board Member that included a page totaling results (in favor, against), project estimate, map of project area, slide from Informational Meeting outlining estimated cost to property owner and all responses received property owners.

- a) Informational Meeting held on Tuesday June 26<sup>th</sup> at 6 p.m. to present the water and sewer information to the property owners. Approximately 4 of the 12 homeowners attended.
- b) Letter sent to affected property owners (fact sheet included) requesting written position on potential project by August 3<sup>rd</sup>.
- c) 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.
- d) Review response received. Four owners responded in favor of the project. Six owners responded against the project. Two owners did not respond.

Mr. Kayatin stated there is another option on how to complete this waterline project where the District enters into a waterline extension agreement with the property owner requesting the water and establishes a connection fee for this project area. A voluntary assessment could be signed by those in the project area who wish to connect. In this option, the District would be the bank on the project. Property owners could connect if they wanted and would not be required to pay an assessment. The District will contact the property owner who initially requested water and set up a meeting to discuss this potential option. If this property owner is on board, the District would hold another meeting with property owners to explain this option.

Mr. Huffman asked what the plan is for this area and it was stated that this would be a small piece of a potential loop to Wapak Road. Mr. Gosnell asked about the 4 or 5 homes off the small lane on the north side of the road next to the undeveloped lot requesting water. Mr. Kayatin stated they are not included and would probably be a separate project.

No action was taken by the Board on this project at this meeting.

**Lutz Road** - New survey to be sent to property owners as requested by Jesse Sanchez.

### **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 July 2018 (Month-to-Date and Year-to-Date) completed. Current cash balance as of 7/31/18 is \$1,245,294.04.

Meeting held with Auditor’s Office on July 17<sup>th</sup> to discuss new fund structure. Resolution needs passed by board to implement. Once passed, the Auditor’s Office can begin setting up the new funds to be utilized effective January 1, 2019.

Letter sent to Auditor's Office requesting assessment for State Route 309 Project end on real estate taxes as there is enough money in the account currently to pay the OWDA loan in full.

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

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

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

9. **OLD BUSINESS**

**MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #18-020 TO APPROVE THE REQUEST TO RESTRUCTURE EXISTING FUND, 8750, AND CREATE NEW FUNDS, 8751-8755, WITHIN MUNIS, THE ACCOUNTING SYSTEM FOR ALLEN COUNTY, IN ORDER TO MONITOR DISTRICT REVENUES AND EXPENSES MORE EFFICIENTLY.** Second by Mr. Gosnell. Roll Call: Dr. Biery-absent, 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 #18-021 TO APPROVE THE SUPPLEMENTAL REQUEST TO INCREASE THE APPROPRIATION "MISCELLANEOUS/REFUNDS" FOR THE TWO 2018 BUDGET BY TWO THOUSAND FOUR HUNDRED FIFT DOLLARS.** Second by Mr. Hartley. Roll Call: Dr. Biery-absent, Mr. Lucas-yes, Mr. Kayatin-yes, Mr. Miller-yes, Mr. Gosnell- yes, Mr. Hartley- yes, Mr. Kessen-yes.

10. **NEW BUSINESS** – Nothing to report.

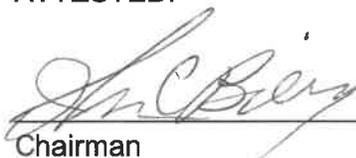
11. **BOARD MEMBER COMMENTS:** None

12. **PUBLIC FORUM:** None

13. **EXECUTIVE SESSION:** None

14. **ADJOURNMENT:** Motion for adjournment made by Mr. Miller at approximately 6:04 p.m. Seconded by Mr. Hartley. Motion carries 6-0.

ATTESTED:

  
Chairman

  
Date

  
Secretary

  
Date