

MINUTES
BOARD OF TRUSTEES MEETING
LORAIN COUNTY RURAL WASTEWATER DISTRICT
February 14, 2008

Call to Order:

The regular meeting of the Board of Trustees of the Lorain County Rural Wastewater District was held at the LORCO office, 22898 West Road, Wellington, Ohio. President McConnell called the meeting to order at 7:00 p.m. with the pledge of allegiance.

Trustees in Attendance:

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|------------------|----------------|-----------------|
| Scott Grills | James Wright | Doug Edwards |
| Dominic Ferritto | Ernest Hartman | Barb Harper |
| John Piwinski | Amy Szmania | Thomas Lahetta |
| Dorothy Collins | Neil Lynch | James McConnell |

Also in Attendance:

Dennis O'Toole, Legal Counsel
Helen Haddox, Office Manager
Fred Alspach, Executive Director

Absent were:

| | | |
|----------------|---------------|------------------|
| Rick Hutman | Joseph Knoble | Dennis Schumaker |
| Dwaine Clinker | | |

Introduction of Helen Haddox, LORCO Office Manager. She started work on February 11, 2008.

Approval of Minutes:

President McConnell noted that the minutes of the regular meeting held on January 10, 2008 had been mailed to all the trustees and called for any additions or corrections. It was moved by Barb Harper, with a second by Thomas Lahetta to approve the minutes as written. All voted yea. Motion carried.

Old Business:

Executive Director, Fred Alspach, noted that letters to the appointing authority of the LORCO board members, whose term expires in March, were mailed on January 21, 2008. At this time one township has returned their appointment information. All appointments are due by the March, 2008 meeting.

It was then reported that LORCO received confirmation from the United States Department of Agriculture (USDA), Columbus, Ohio office in a letter, addressed to FirstMerit Bank, N.A., that states the proposed loan to the LORCO Rural Wastewater District in the amount of \$30,100,000 is a Conditional

Commitment for Guarantee issued by the USDA Rural Development intending to guarantee ninety percent (90%) of the total loan requested. We are also enclosing an executed copy of Form RD 1940-3 "Request for Obligation of Funds." This is your record that this loan has been approved subject to the terms of the Conditional Commitment for Guarantee.

Following full discussion, it was moved by Ernest Hartman, with a second by James Wright that the LORCO Board of Trustees accept the **CONDITIONAL COMMITMENT FOR GUARANTEE** for the Principal Amount of \$30,100,000 and authorize LORCO President, James McConnell, to sign the **ACCEPTANCE OF CONDITIONS** as approved by FirstMerit Bank, N.A. and LORCO. A roll call vote was taken with 12 voting yes and 0 voting no. President McConnell declared the motion carried.

New Business:

President McConnell reported that Administrative Assistant, Becky Haines, resigned effective January 25, 2008. He also noted that the President's responsibility to name LORCO committees would take place at the March meeting and anyone requesting particular assignments should contact him before that meeting.

Dennis O'Toole, Attorney to the Board, reviewed the proposed SWAP financial master agreement to be executed as part of the loan conditions. He indicated that it is a standard agreement but will require some adjustment to protect the interests of LORCO.

Alspach noted recent discussions with Robert Smallwood, P.E. regarding the application for the Ohio EPA Section 401 Water Quality Certification. Smallwood and representatives of URS Consultants have been working together on the wetlands field study and review. Work is continuing on the review and meetings are scheduled with Ohio EPA officials, Avon Lake representatives and the LORCO staff to complete this task.

RESOLUTION NO. 2008-03 It was moved by Barb Harper, with a second by Ernest Hartman; whereas, the following have been submitted:

| | | |
|---|----|----------|
| Payroll 12/30/07 – 01/12/08 | \$ | 1,449.29 |
| Payroll & Severance - | \$ | 5,411.50 |
| OPERS – January contribution | \$ | 872.83 |
| First Merit – January federal taxes | \$ | 2,623.69 |
| First Merit – monthly analysis fee | \$ | 36.65 |
| Bramhall Engineering – Barrington inspection services | \$ | 4,123.22 |
| Fred Alspach/LORCO - petty cash reimbursement | \$ | 123.31 |
| Rural Urban – annual renewal fees | \$ | 30.00 |
| Ohio Utilities Protection – notification fees | \$ | 100.00 |
| LMRE – February rent | \$ | 250.00 |
| LMRE – Administrative Contract for January | \$ | 7,036.43 |

NOW, THEREFORE BE IT RESOLVED,

- 1) That in anticipation of receiving permanent construction funding with a financing guarantee from the USDA/ Rural Development, the LORCO Rural Wastewater District may be required to expend or incur cost for planning and/or fees for the purpose of making capital improvements to their wastewater collection facility, which costs expended or incurred will be considered a part of the total USDA/Rural Development construction loan and the LORCO Rural Wastewater District may claim such costs as reimbursable expenses through the loan.
- 2) That it is found and determined that all formal actions of this Board of Trustees concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board of Trustees, and that all deliberations of the Board of Trustees and of any of its committees resulting in such formal action were in meetings open to the public, in compliance with the law, including Section 121.22 of the Revised Code of Ohio.

The vote resulted as follows: 12 Yes 0 No Motion carried

The Executive Director reported on the hours worked throughout January and highlighted several passages in the weekly staff report. There were also several news articles relative to LORCO and sewer issues distributed. He then reviewed the monthly financial cash flow work sheet with associated expenses versus budgeted information.

Other Business:

President McConnell called for any other business or questions from the audience. It was reported by Eaton Township Trustee, Linda Morrison, that there has been a recent problem with storm and sanitary flooding within the Eaton Estates development. Some flooding has been eliminated by cleaning of the creek that the Eaton Estates wastewater package plant discharges into. She indicated that they may petition the county commissioners to seek assistance to the elimination of these problems in as much as \$70.00 per month is the household rate being charged. She also requested a date for a regular LORCO monthly meeting to be held at the Eaton Township complex. This will be discussed further and a date set for later this year. Another Eaton Township resident, Mrs. Donna Hicks, inquired about expected LORCO costs to the homeowner and when they would become payable. She was informed that no costs would be assessed until the project is constructed and ready for household connections. During the year plus construction period, meetings to provide further information to homeowners will be scheduled.

Executive Session:

It was moved by Ernest Hartman, with a second by Scott Grills to go in to executive session at 8:00 p.m. for the purpose of personnel discussion. A roll call vote was taken with 12 yes and 0 no. President McConnell declared the motion carried.

It was moved by Ernest Hartman, with a second by Scott Grills to move out of executive session at 8:20 p.m.

Adjourn:

With no further business to come before the board, it was moved by Dominic Ferritto, with a second by Ernest Hartman to adjourn at this time 8:22 p.m. and meet again in regular session at 7:00 p.m. on Thursday, March 13, 2008 at the LORCO office located at 22898 West Road, Wellington. All voted yea. The motion carried.

President

Secretary-Treasurer