

**MINUTES
BOARD OF TRUSTEES MEETING
LORAIN COUNTY RURAL WASTEWATER DISTRICT
May 10, 2007**

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. Vice President Neil Lynch called the meeting to order at 7:00 p.m. with the pledge of allegiance.

Trustees in Attendance –

Barbara Harper	Don Wittmer	Thomas Lahetta
Neil Lynch	John Piwinski	Jim Wright
Doug Edwards	Dominic Ferritto	Rick Hutman
Ernest Hartman	Dorothy Collins	Joseph Knoble

Also in Attendance –

Fred Alspach, Executive Director
Becky Haines, Administrative Assistant
Dennis O'Toole, Legal Counsel
Paul Stubbins, Financial Advisor

Absent –

Gerald Cowie, Dwaine Clinker, Scott Grills and Jim McConnell

Oath of Office –

Attorney Dennis O'Toole administered the oath of office to Doug Edwards representing Eaton Township and Jim Wright representing Carlisle Township. Both are for a term of three years on the Board of Trustees.

Approval of the Minutes –

Vice President Lynch noted that the minutes of the regular meeting held on April 12, 2007 were mailed to all board members and called for any corrections or additions. It was moved by Jim Wright with a second by Barbara Harper to approve the minutes as written. All voted yea. Motion carried.

Old Business –

Executive Director Fred Alspach reported on the current status of LORCO's application to USDA-Rural Development for the Guaranteed Loan Commitment which had been hand delivered to the state office on April 25, 2007. The modified agreements between Avon Lake and LORCO have been executed and submitted to USDA-Rural Development as well as the First Merit Financial Analysis. The state office reviewers have requested a slight modification to the Preliminary Engineering Report and that will be completed by GRW Engineers and submitted to the state office early next week. The required "Notice of Availability of an Environmental Assessment" has been posted in the Chronicle Telegram and the Rural Urban indicating a comment period of thirty days. It is anticipated that the application package, along with a recommendation from the state office will be sent to Washington DC office by June 14, 2007.

New Business –

Policy Committee Chairman Lynch reported that a meeting had been held earlier in the evening to consider changes to LORCO's Fiscal Policy regarding a uniform service rate and tap fees throughout the entire LORCO service area. It was the Committee's recommendation to approve the proposed amended language to the existing policy.

A motion was made by Dominic Ferritto with a second by Ernest Hartman to accept amended Fiscal Policy as recommended by the Policy Committee. All voted yea. Motion carried.

Attorney O'Toole stated that upon receipt of the loan guarantee, following federal review, he will work with Staff to begin addressing the Letter of Conditions to complete the loan closing requirements.

Financial Advisor Paul Stubbins noted the effort put forth by First Merit Bank, LORCO's staff and counsel on the preparation of the financial analysis. This has been submitted to the USDA-Rural Development and it has received comment by their office to be the most complete and detailed financial analysis they have seen. With Mr. Stubbins' oversight language is being written that will allow LORCO the ability to secure additional debt throughout their entire district as it grows. Upon receipt of the loan guarantee commitment, he will work with LORCO's legal counsel regarding the First Merit loan closing and the application to the Ohio Water Development Authority for the remaining funds.

Resolution 2007-08 Be it resolved by the Board of Trustees of the LORCO Rural Wastewater District that it was moved by Jim Wright, seconded by Barbara Harper, WHEREAS, the following have been submitted:

Payroll 03/24/07 - 04/07/07	\$	1,419.23
Payroll 04/08/07 – 04/21/07	\$	1,419.23
Verizon – landline for March	\$	50.71
GRW Engineering – New Russia Feasibility	\$	1,400.00
OPERS – March contribution	\$	832.52
LORCO – petty cash reimbursement	\$	99.31
Bobel's – office supplies	\$	320.67
FirstMerit – federal deposit for March	\$	918.30
Ohio Treasurer of State – first quarter taxes	\$	426.51
Bramhall Engineering – inspection fees Barrington Estates	\$	3,215.78
Central Collection Agency – first quarter taxes	\$	155.96
Chronicle Telegram – legal notice	\$	109.55
ORWA – conference fee	\$	100.00
Village of Grafton – treatment costs	\$	21.84
Bureau of Workers Compensation – annual premium	\$	2,051.20
Verizon – landline for April	\$	50.71
LMRE – April rent	\$	250.00
LMRE – Administrative Contract for April	\$	6,664.77
Stumphauzer & O'Toole – legal fees for April	\$	4,036.00

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.

Vote resulted as follows: 12 yea 0 nay. Motion carried.

Executive Director Alspach reviewed the weekly staff reports, correspondence, and relative news articles which recapped significant events regarding to the loan application submittal and subsequent requests for additional information and changes.

As directed by the Board, it was advertised for Requests for Proposals to complete a rate study, upon receipt of the loan guarantee. Two requests had been submitted and an inquiry was made regarding the Board's desire to move forward with the rate study. A motion was made by Barbara Harper with a second by Jim Wright to accept the proposal submitted by the Floyd Browne Group of Akron contingent on approval of the loan guarantee. All voted yea. Motion carried.

Alspach stated that the Annual Reports were added to the LORCO website and the Most Asked Questions has been updated.

Administrative Assistant Haines stated that the 2006 Annual Financial Report will be presented at the July board meeting for review. The June meeting being held at Eaton Township and the agenda is being tailored to allow significant time to address the questions and concerns of the residents who are invited to attend.

Further she explained that the interim financing was coming due later this month. However, Haines, Alspach, Mark Roan of First Merit Bank put together a loan extension through November of 2007.

A motion was made by Ernest Hartman with a second by Dominic Ferritto authorizing the board President and Secretary-Treasurer to sign the amended financing agreement extending the interim financing until November of 2007. All voted yea. Motion carried.

Other Business –

Vice President Lynch called for any further questions or comments from the audience. Various questions were fielded regarding the installation of the wastewater collection lines, lateral connections and the grinder pumps.

A resident informed the board and staff that the LORCO website reflected that all future meetings would be held at the Eaton Township complex. They were advised that the correct information would be posted and apologies were extended.

Adjourn

With no further business to come before the board, it was moved by Thomas Lahetta with a second by Don Wittmer to adjourn at this time 8:15 PM and meet again in regular session at 7:00 PM on Thursday, June 14, 2007 at the Eaton Township complex. All voted yea. Motion carried.

Vice President

Secretary Treasurer