

**MINUTES
BOARD OF TRUSTEES MEETING
LORAIN COUNTY RURAL WASTEWATER DISTRICT
December 10, 2009**

Call to Order:

The regular meeting of the Board of Trustees of the Lorain County Rural Wastewater District was held at the LORCO offices, 22898 West Road, Wellington, Ohio. President McConnell called the meeting to order at 7:04 PM with the pledge of allegiance.

Trustees in Attendance:

Berry Taylor (A)	Doug Edwards	Rick Hutman
Dominic Ferritto	Howard Born	Ernest Hartman
Gerald Cowie	Louise Grose	Thomas Lahetta
Dorothy Collins	Cindy Kurpely	Neil Lynch
James McConnell		

Also in Attendance:

Becky Haines, Special Projects Administrator, Avon Lake Municipal Utilities
Heidi McGlamery, Legal Counsel
Rich Radachi, CPA
Helen Haddox, Office Manager
Rob Berner, Executive Director
Fred Alspach, Administrative Consultant

Approval of Minutes:

President McConnell announced that the minutes of the regular meeting held on November 12, 2009 were mailed to all trustees and called for any additions or corrections. It was moved by Doug Edwards, with a second by Gerald Cowie to approve the minutes as written. All voted yea. Motion carried.

Old Business:

There was no old business to come before the board.

New Business:

President McConnell reported that he had conversation with Mr. Jim Bonk of the Ohio EPA, Division of Environmental and Financial Assistance. The updated Environmental Review with a thirty-day comment period will complete the required information for the ARRA grant.

Rich Radachi, CPA to the Board, provided and reviewed the amended appropriations for the 2009 permanent budget. Following full discussion, the Board took action by resolution.

RESOLUTION NO. 2009-87 It was moved by Thomas Lahetta, with a second by Berry Taylor WHEREAS, the Lorain County Rural Wastewater District appropriations for 2009 need to be amended to reflect actual expenditure through December 31, 2009 and;

WHEREAS, the list of actual expenditures is attached hereto, which reflect the requirement for additional appropriations, and;

WHEREAS, full discussion has been held.
 NOW, THEREFORE BE IT RESOLVED

- 1) The Lorain County Rural Wastewater District 2009 Amended Budget is hereby approved with the following items re-appropriated;
- 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.

	ESTIMATED 2009 EXPENSE	ADJ / PERM 2009 BUDGET	OVER (UNDER) BUDGET	RE-APPROP 2009 DEC.
Revenues				
Sewer Usage	18,000	15,000	3,000	3,000
Expenses				
Telephone	1,000	650	350	350
Office Expense	11,300	6,000	5,300	5,300
Legal Counsel	250,000	100,000	150,000	150,000
Prof Fees-Other	22,000	20,000	2,000	2,000
2009 A/P	632,140	0	632,140	632,140
1999-2008 Deferred A/P	(364,238)	1,233,868	(869,900)	(869,900)
F/M Loan Prin	1,271,487	2,000,000	(728,513)	(728,513)
Disbursements				
Gtd Loan 6%	0	30,100,000	(30,100,000)	(30,100,000)
First Merit	263,839	0	263,839	263,839
ALMU/LORCO loan	1,773,175	0	(1,773,175)	(1,773,175)
Cash Carryover	31,798	47,289	15,491	15,491

Vote resulted as follows: 13 Yea, 0 Nay. Motion carried.

Rich Radachi, CPA to the Board, also reviewed the permanent budget for 2010. Following full discussion of probable changes and Reappropriations due to current construction in the year 2010.

RESOLUTION NO. 2009-88 It was moved by Cindy Kurpley, with a second by Berry Taylor WHEREAS, the Lorain County Rural Wastewater District Permanent Budget for 2010 has been presented and reviewed by LORCO's Certified Public Accountant, and;

WHEREAS, the list of expenditures is attached hereto, and;

WHEREAS, full discussion has been held.

NOW, THEREFORE BE IT RESOLVED

- 1) The Lorain County Rural Wastewater District 2010 Permanent Budget is hereby approved;
- 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: 13 Yea, 0 Nay. Motion carried.

Heidi McGlamery, Attorney to the Board, reviewed and discussed the current LORCO-ALMU Agreement. Mr. McConnell and Mr. Berner noted that this is the most recent language of a series of drafts discussed between the organizations and their legal counsels. Mr. Berner indicated that the issue of the "Custodial Account" needs to be revisited; otherwise the agreement is acceptable at this time. Following full discussion, it was noted that this agreement can be amended.

RESOLUTION NO. 2009-86 It was moved by Howard Born, with a second by Doug Edwards with the condition that LORCO be the FISCAL AGENT for allocation of funds, and;

WHEREAS, the COOPERATIVE AGREEMENT between the Lorain County Rural Wastewater District (Exhibit-A) and the Avon Lake Municipal Utilities has been fully reviewed and;

WHEREAS, the COOPERATIVE AGREEMENT is for CONSTRUCTION, OPERATION, AND MAINTENANCE OF PUMP STATION, FORCE MAIN AND RELATED INFRASTRUCTURE and;

WHEREAS, the COOPERATIVE AGREEMENT supersedes all former agreements for Construction, Operation, and Maintenance of Pump Station, Force Main and Related infrastructure and;

WHEREAS, the Lorain County Rural Wastewater District Board of Trustees finds it necessary to have an agreement with the Avon Lake Utilities.

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the Lorain County Rural Wastewater District that:

- 1) It is in the best interests of the organization to enter into an agreement with Avon Lake Municipal Utilities (exhibit-A) for Construction, Operation, and Maintenance of Pump Station, Force Main and Related Infrastructure.
- 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: 13 Yea, 0 Nay. Motion carried.

Nell Lynch, Policy Committee Chairman, advised the board of the recent Policy Committee's recommendations. It is recommended that LORCO Policy ARTICLE IV-BENEFITS be reviewed further at the next committee meeting. However, a full review of the LORCO Administrative Policy ADM 203 – VOLUNTARY PARTICIPATION has been discussed and the committee recommends a change to subsection B to read as follows:

Amendment to ADM 203 B. Section ADM 203, subsection B is hereby amended as follows:

Provided further, any person or entity purchasing more than ten (10) taps ("participating customer") shall have until January 31, 2010 to pay 10% of the total tap fee for the total number of taps reserved. Such payment shall entitle the customer to a "lock in" tap fee of \$6,000.00 per tap for a period of five years, up to and including January 31, 2015. Thereafter, for a period of five years, up to and including January 31, 2020, the tap fee charged to a participating customer will be adjusted to be 85% of the established tap fee at that time but not less than \$6,000.00 (the preferential tap fee). At the expiration of the second five year period, the "lock in" tap fee and the preferential tap fee shall be forfeited, and any taps purchased thereafter shall be at the fee then existing. Provided further, during the two five year periods referenced above, customer shall not be required to pay the minimum usage until and unless the taps are connected to the customer parcel(s) at customer's request. The rights granted herein are not assignable by the customer without the express written consent of the District.

It was moved by Thomas Lahetta, with a second by Howard Born to approve the Policy Committee's recommendation. All voted yea. Motion carried.

Mr. Lynch called for the next Policy Committee meeting to be held January 14, 2010 at 6:00 p.m. The meeting will be held at the LORCO office 22898 West Road, Wellington, Ohio.

RESOLUTION NO. 2009-85 It was moved by Berry Taylor, with a second by Louise Grose WHEREAS, the following have been submitted:

Payrolls disbursed on – 11/04/09 and 11/18/09	\$	2,339.10
OPERS – contributions 10/31/09 – 11/27/09	\$	630.53
Anthem Blue Cross Blue Shield	\$	606.86
First Merit – federal payroll taxes for November	\$	255.08
Helen Haddox – mileage reimbursement	\$	97.35
LMRE – NISC accounting software	\$	96.08
First Merit – monthly analysis fee	\$	55.18
Verizon – landline	\$	53.85
First Merit – visa for computer software	\$	49.99
Verizon – wireless	\$	47.24
Stumphauzer O'Toole (000M) – legal fees for 10/02/09 – 10/22/09	\$	6,116.00
Stumphauzer O'Toole (002M) – legal fees for 09/23/09 – 10/27/09	\$	20,661.25
Radachi & Company – accounting fees for 09/30/09 – 10/30/09	\$	5,568.00

Alspach – consultant services for 10/04/09 – 10/31/09	\$	2,901.45
LMRE – rent for October	\$	250.00

NOW, THEREFORE BE IT RESOLVED,

- 1) That in anticipation of receiving permanent construction funding from the Ohio Water Development Authority, 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 OWDA 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: 13 yea, 0 nay. Motion carried.

Fred Alspach, Administrative Consultant and Rob Berner, Executive Director discussed the potential of amending LORCO Operating Policy CHAPTER III, Section 311 – Service Charges Supplement. It has come to the staff’s attention that property owners, with buildable single family dwellings, would like to purchase sewer taps at this time to take advantage of the \$6,000.00 current cost. It would be advantages for LORCO to construct sewer household taps at the time of the system construction. Following full discussion, Mr. Berner will research the issue further and bring it to the Policy Committee at their January meeting. Several news articles were reviewed and the monthly Chart of Accounts was reviewed. A letter dated December 2, 2009 noting a sewer treatment rate increase by the Village of Grafton was reviewed with no action taken.

Rob Berner, Executive Director, noted to the Board that he will be reviewing expenses allowed by the Ohio Water Development Authority as well as attending the forthcoming monthly construction meetings.

RESOLUTION NO. 2009-89 It was moved by Ernest Hartman, with a second by Howard Born to approve a resolution authorizing the Executive Director to enter into and execute the Cooperative Agreement between the Lorain County Rural Wastewater District and Avon Lake Municipal Utilities.

WHEREAS, the board has previously adopted a resolution approving the Cooperative Agreement for Construction, Operation, and Maintenance of Pump Station, Force Main and related infrastructure and:

WHEREAS, both parties have set forth the terms of such agreement, which has been approved by legal counsel.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Lorain County Rural Wastewater District, Lorain County, Ohio as follows:

- 1) That the Executive Director is hereby authorized to enter into and execute the aforementioned agreement with the City of Avon Lake on behalf of the District and do all things necessary and incidental to the authority hereby granted under the terms of this resolution.
- 2) That it is found and determined that all formal actions of this Board of Trustees concerning and related to 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: 13 Yea, 0 Nay. Motion carried.

RESOLUTION NO. 2009-90 It was moved by Berry Taylor, with a second by Ernest Hartman the undersigned is the authorized signatures of the following public entity:

Lorain County Rural Wastewater District, which is a Public Fund under the laws of the State of Ohio (the "Entity"). The undersigned certifies that the following is a true exact taken from the minutes of a meeting held on December 10, 2009 after due notice at which there was present a quorum authorized to transact business, that the resolution below was passed at such meeting, that the resolution is in full force and effect and that the proceedings of such meeting were in accordance with applicable law.

NOW THEREFORE BE IT RESOLVED,

- 1) That FirstMerit Bank, N.A. (Bank) be, and it hereby is, designated and appointed as a provider for the Entity of the Treasury Management products/services listed on the attached Exhibit;
- 2) That such listing of products/services may be amended at any time upon the signature of the Bank and any one of the individuals designated in section 3 below;
- 3) That the following individuals are authorized to sign Agreements required by Bank in order to provide Treasury Management products/services:

<u>NAME</u>	<u>TITLE</u>	<u>SIGNATURE</u>
<u>Robert J. Berner</u>	Executive Director	SIGNATURE ON RESOLUTION
<u>James R. McConnell</u>	President of the Board	SIGNATURE ON RESOLUTION
<u>Neil J. Lynch</u>	Vice President of the Board	SIGNATURE ON RESOLUTION

- 4) That this Resolution shall remain in full force and effect until written notice of revocation signed by all of the authorized signers is received by Bank at the location where the executed product/service Agreements are maintained.
- 5) It is the responsibility of the Entity to notify the Bank of any changes in authorized signers designated in section 3 above.

The undersigned Authorized Officer represents and certifies that the foregoing Resolution was

adopted at a duly convened meeting of the Entity or by other duly authorized action in lieu of a meeting.

Vote resulted as follows: 13 Yea, 0 Nay. Motion carried.

Becky Haines, Special Projects Administrator, announced that she received the 404 Permit from the Ohio EPA on December 4, 2009. The lease on the Spitzer property for the Fourplex pump station has been signed. And, she has signatures on additional easements that will avoid several appropriations proceedings. She also provided an update to the project construction. The public meeting regarding construction of the project was held at Carlisle Township on December 1, 2009 with approximately 50 residents in attendance from both Carlisle and Eaton Townships. The next public meeting regarding construction of the project is scheduled for Eaton Township at the Eaton Christian School gymnasium on December 14, 2009 at 7:00 p.m. in accordance with two public notices published in the Rural-Urban Record newspaper.

Other Business:

Don Flood, resident of Carlisle Township, requested copies of past meeting minutes for September, October and November, 2009.

Tom Lahetta, board member, requested that staff look into the possibility of emailing the entire contents of the board packages to the board members.

Executive Session

It was moved by Cindy Kurpley, with a second by Ernest Hartman to go into executive session at 8:18 p.m. to discuss legal issues. A roll call vote was taken showing all thirteen regular meeting board members present voting yea. Motion carried.

President McConnell declared the board back in Regular Session at 8:40 p.m.

RESOLUTION NO. 2009-91 It was moved by Howard Born, with a second by Cindy Kurpley to approve a resolution authorizing the Executive Director to enter into and execute the Lease Agreement between the Lorain County Rural Wastewater District and Spitzer Property Management.

WHEREAS, the board has approved engineering that provides for a Fourplex Sewer Pump Station, and;

WHEREAS, the proposed Fourplex Sewer Pump Station is to be located on property owned by Spitzer Property Management, and;

WHEREAS, both parties have set forth the terms of such agreement, which has been approved by legal counsel.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Lorain County Rural Wastewater District, Lorain County, Ohio as follows:

- 1) That the Executive Director is hereby authorized to enter into and execute the aforementioned agreement with the Spitzer Property Management on behalf of the District and do all things necessary and incidental to the authority hereby granted under the terms of this resolution.

- 2) That it is found and determined that all formal actions of this Board of Trustees concerning and related to 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: 13 Yea, 0 Nay. Motion carried.

Adjourn:

With no further business to come before the Board, a motion was made by John Piwinski, with a second by Doug Edwards to adjourn at this time 9:00 p.m. The board will meet again in regular session at 7:00 p.m. on Thursday, January 14, 2010 at the LORCO offices located at 22898 West Road, Wellington, Ohio 44090.

Note:

The LORCO Policy Committee will meet again at 6:00 p.m. on Thursday, January 14, 2010 at the LORCO offices located at 22898 West Road, Wellington, Ohio 44090.