

**MINUTES
BOARD OF TRUSTEES MEETING
LORAIN COUNTY RURAL WASTEWATER DISTRICT
July 10, 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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|------------------|-----------------|----------------|
| Gary Crane (A) | Doug Edwards | Rick Hutman |
| Dominic Ferritto | Joseph Knoble | Ernest Hartman |
| John Piwinski | Gerald Cowie | Calvin Woods |
| Thomas Lahetta | Dorothy Collins | Dwaine Clinker |
| Neil Lynch | James McConnell | |

Also in Attendance:

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

Absent were:

Scott Grills and Barb Harper

Oath of Office:

Attorney, Dennis O'Toole, administered the oath of office to Robert Meilander (A) appointed by Kipton Village.

Approval of Minutes:

President McConnell noted that the minutes of the regular meeting held on June 12, 2008 had been mailed to all the trustees and called for any additions or corrections. It was moved by Ernest Hartman, with a second by Dominic Ferritto to approve the minutes as written. All voted yea. Motion carried.

Old Business:

The board was informed that the US Army Corps of Engineers and URS Consultants would be working together on a new Regulatory Guidance Letter that will allow a faster completion of the wetlands review. It was also noted that the Ohio EPA representative had completed a second round of wetlands review and is in contact with URS Consultants on their findings. Greg Rhinehalt anticipates that all compliances are in place and the public notice will soon be fulfilled. Based on the latest information from the USACOE the board was provided with an updated LORCO time line.

New Business:

President McConnell reported that discussions continue to be held with IRG representatives and a decision regarding their anticipated needs is soon to be made.

Attorney, Dennis O'Toole, informed the board that he and Executive Director Alspach met with Bond Counsel and Counsel for FirstMerit to review the draft closing documents to the LORCO loan. Several items will happen concurrently during the next two months. LORCO will advertise for construction bids, which is a six week process, the loan from FirstMerit will close within two weeks following the bid opening and the wetlands review and Permit to Install (PTI) will be issued allowing contracts No. 1, No. 2 and No. 3 to be awarded before the end of October. The bid opening will be a public meeting, as published in the advertisement and GRW Engineers will review all of the bids and base their recommendations on a list of criteria standard to the construction industry. When the LORCO board approves and awards the bids, the winning contractors will then meet with GRW and all interested parties in a pre-construction meeting,

Rich Radachi, CPA, for LORCO presented the adjusted budget for 2008 based on actual expenditures. He then provided the Temporary budget for 2009 to be approved in accordance with the Ohio Revised Code.

RESOLUTION NO. 2008-10 It was moved by Doug Edwards, with a second by Tom Lahetta WHEREAS, the State of Ohio requires that all Public Entities approve their 2009 TEMPORARY OPERATING BUDGET prior to July 31, 2008, and;

WHEREAS, the 2009 TEMPORARY OPERATING BUDGET IS enclosed and;

WHEREAS, full discussion has been held

NOW, THEREFORE BE IT RESOLVED

1. The Lorain County Rural Wastewater District 2009 Temporary Budget Appropriation is hereby approved with Exhibits attached.
2. That it is found and determined that all formal actions of the Board of Trustees concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board of Trustees and of any of its committees resulting in such formal action and 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: 14 yea, 0 nay. Motion carried.

RESOLUTION NO. 2008-13 It was moved by Ernest Hartman, with a second by John Piwinski WHEREAS, the Lorain County Rural Wastewater District appropriations for 2008 need to be amended to reflect actual expenditure through June 30, 2008, 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 amended 2008 Permanent Budget Appropriation is hereby approved with Exhibits attached.
2. That it is found and determined that all formal actions of the Board of Trustees concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board of Trustees and of any of its committees resulting in such formal action and 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: 14 yea, 0 nay. Motion carried

Mr. Radachi then reviewed the LORCO financial statements ending December 31, 2007. The primary statement was the funds shown as a loss are in reality the costs incurred to build the system. However, there are no revenues at this time to pay those costs. Therefore, future revenues will reflect payments on all costs and the losses will be eliminated.

RESOLUTION NO. 2008-11 It was moved by Gerald Cowie, with a second by Dominic Ferritto WHEREAS, the following have been submitted:

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| First Merit – interest | \$ 39,204.62 |
| URS – wetland services for April | \$ 5,186.93 |
| Payrolls disbursed on – 06/04/08 & 06/18/08 | \$ 2,127.80 |
| OPERS – contributions 04/19/98-06/27/08 | \$ 1,384.63 |
| North Coast Administrators – June & July health insurance | \$ 1,053.32 |
| Village of Grafton – treatment costs March – May | \$ 573.89 |
| First Merit – federal payroll taxes for June | \$ 155.38 |
| State of Ohio – second quarter payroll taxes | \$ 173.94 |
| Easement Payments – disbursed in June | \$ 716.40 |
| CJ Business Forms – Tyvek envelopes | \$ 404.20 |
| Fred Alspach – LORCO petty cash reimbursement | \$ 171.53 |
| LMRE – monthly NISC accounting software | \$ 92.97 |
| Verizon – monthly landline | \$ 52.60 |
| First Merit – monthly analysis fee | \$ 51.74 |
| GRW Engineers – services for May | \$ 1,012.50 |
| Stumphauzer O’Toole – legal fees for June | \$ 3,896.25 |
| Radachi & Company – accounting fees May | \$ 4,393.50 |
| LMRE – administrative contract for June | \$ 7,036.43 |
| LMRE – rent for June | \$ 250.00 |
| LMRE – second quarter postage | \$ 544.60 |
| LMRE – second quarter copies and faxes | \$ 190.35 |
| LMRE – second quarter mileage | \$ 764.57 |

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: 14 yea 0 nay. Motion carried.

RESOLUTION NO. 2008-12 It was moved by Gary Crane, with a second by John Piwinski WHEREAS, the Lorain County Rural Wastewater Board of Trustees has deemed it necessary to construct a central sewer collection system in the Carlisle and Eaton Township area, and

WHEREAS, engineering plans and specifications have been prepared and approved by this Board to construct the system as deemed necessary by this Board,

NOW, THEREFORE BE IT RESOLVED

3. The Lorain County Rural Wastewater District deems it necessary to construct a central sewer collection and treatment system for an area comprising Carlisle and Eaton Townships or parts thereof as depicted on the project plans on file with the District and known as the Phase-I, Carlisle-Eaton Wastewater Project, said project being for the benefit of the people residing in the District and for the increase of their prosperity and the improvement of their health and living conditions;
4. The project shall consist of gravity and force main sewers along with all appurtenances necessary thereto, consisting of approved materials in conformance with industry standards as provided for in the project plan on file at the District offices located at 22898 West Road Wellington, Ohio 44090;
5. The cost of the project shall be paid by the benefited users thereof;
6. The executive director is therefore authorized to take all such action necessary to carry out the intent and directives of this resolution, including, but not limited to the advertisement for bids for the construction of the project, with approval of legal counsel as to form;
7. That it is found and determined that all formal actions of the Board of Trustees concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board of Trustees and of any of its committees resulting in such formal action and 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: 14 yea, 0 nay. Motion carried.

Executive Director, Alspach, reviewed the monthly time report and staff report with the board. He noted several items regarding wetlands review and construction issues in conjunction with rights-of-way procurement. Also identified was the follow up letter to those property owners, who have not returned their permanent easement agreements. The final date for those agreements to be returned is August 15, 2008. An email from Eaton Township resident, Linda Morrison, and the follow up correspondence

was shared with the board. Alspach also reviewed the cash flow and deferral statement as of July 2, 2008.

Other Business:

Rochester Village representative, Dwaine Clinker, informed the board that he is changing residences and will no longer represent the Village. A new representative is yet to be named. Mr. Clinker was thanked for his participation and support.

Mrs. Morrison, Eaton Township, inquired about right-of-way easement on her property. As questions are varied and concerns are individual, all property owners who have questions regarding easements and construction are invited to call Fred Alspach at 440-647-4882.

Executive Session:

It was moved by Ernest Hartman, with a second by Doug Edwards to move into Executive Session for discussion of personnel at 8:00 p.m. A roll call vote was taken with all present at the regular meeting responding yea. Motion carried.

The board came out of Executive Session at 8:25 p.m.

It was moved by Doug Edwards, with a second by Ernest Hartman to accept the salary proposal from Lorain-Medina Rural Electric regarding Fred Alspach as Executive Director to the Lorain County Rural Wastewater District. All voted yea. Motion carried.

Adjourn:

It was moved by Dominic Ferritto with a second by Ernest Hartman to adjourn at this time 8:30 p.m. and meet again in regular session at 7:00 p.m. on Thursday, August 14, 2008 at the LORCO office located at 22898 West Road, Wellington. All voted yea. The motion carried.

President

Secretary-Treasurer