

**MINUTES  
BOARD OF TRUSTEES MEETING  
LORAIN COUNTY RURAL WASTEWATER DISTRICT  
September 14, 2006**

**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 Hartman called the meeting to order at 8:00 p.m. with the pledge of allegiance.

**Trustees in Attendance –**

James Wright	Douglas Edwards	Dominic Ferritto
Ernest Hartman	Barbara Harper	John Piwinski
Amy Szmania	Don Wittmer	Thomas Lahetta
Dorothy Collins	Dwaine Clinker	Ed Born
	Neil Lynch	

**Also in Attendance –**

Fred Alspach, Executive Director  
Dennis O'Toole, Legal Counsel  
Becky Haines, Administrative Assistant  
Paul Stubbins, Seasongood & Mayer  
Mark Roan, FirstMerit Bank

**Absent –** Rick Hutman, Scott Grills, James McConnell

**Approval of the Minutes –**

Vice President Hartman noted that the minutes of the regular meeting held on August 10, 2006 were mailed to all board members and called for any corrections or additions. It was moved by Don Wittmer with a second by Dwaine Clinker to approve the minutes as written. All voted yea. Motion carried.

**Old Business –**

Paul Stubbins reported that the USDA-Rural Development Guaranteed Loan Application has been completed by LORCO staff and by FirstMerit Bank. Currently Kelly Hettick of the Massillon area branch office of USDA-Rural Development is reviewing the application before submitting the document to Columbus for their approval. Once approval has been secured on the state level the application will go to the Washington D.C. office for final approval. A response is anticipated by the end of October.

Mark Roan stated that FirstMerit Bank is committed to the LORCO project and that the bank has been working closely with all involved to secure the guaranteed loan commitment.

**New Business –**

Vice President Hartman conveyed a message from President McConnell regarding a requested meeting with Lorain County Prosecutor Dennis Will and the LORCO Board of Trustees. Executive Director Alspach will coordinate with Prosecutor Will on a date, presumably October 26, and notify the board members.

**Resolution 2006-18** Be it resolved by the Board of Trustees of the LORCO Rural Wastewater District that it was moved by John Piwinski, seconded by Thomas Lahetta;

**A RESOLUTION APPROVING A LOAN FROM FIRST MERIT BANK, N.A. AND AUTHORIZING THE PRESIDENT OF THE BOARD OF TRUSTEES AND THE EXECUTIVE DIRECTOR OF THE LORAIN COUNTY RURAL WASTEWATER DISTRICT TO EXECUTE LOAN DOCUMENTS**

WHEREAS, the LORCO RURAL WASTEWATER DISTRICT has made an Application for Federal Assistance to the USDA-Rural Development Loan Guarantee Program, and;

WHEREAS, the USDA-Rural Development Loan Guarantee Program provides a ninety percent (90%) guarantee to funding from one or more qualified private sources, and;

WHEREAS, the First Merit Bank, N.A. of Akron, Ohio has committed to a loan of Twenty-Four Million, Seven-Hundred Thousand Dollars (\$24,700,000.00) based on the USDA-Rural Development Loan Guarantee Program, and;

WHEREAS, the First Merit Bank, N.A. of Akron, Ohio has submitted a Lender's Application to USDA-Rural Development.

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

- Section 1. The board authorizes the President and Executive Director to execute such documents as necessary to complete said loan transaction in accordance with the terms recited above, subject to approval of LORCO's legal counsel and financial advisor.
- Section 2. It is found and determined that all formal actions of the Board concerning and relating to the passage of this Resolution were passed in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such

formal action were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

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

**Resolution 2006-19** Be it resolved by the Board of Trustees of the LORCO Rural Wastewater District that it was moved by Barbara Harper, seconded by Dominic Ferritto WHEREAS, the following have been submitted:

Payroll 7/30/06 – 8/12/06	\$	1,425.34
Payroll 8/13/06 – 8/26/06	\$	1,425.34
LMRE – NISC monthly fee	\$	92.96
Verizon Telephone – August	\$	51.45
OPERS – August contribution	\$	809.34
First Merit – August federal taxes	\$	632.82
LORCO – Petty cash reimbursement	\$	143.97
Bramhall Engineering – Inspection services	\$	4,257.51
Solar Testing – Bore samples	\$	24,366.00
National Rural Water Association – membership renewal	\$	25.00
LMRE – Septembers rent	\$	250.00
LMRE – Administrative Contract for September	\$	4,443.18
Baumgartner & O’Toole – legal services for August	\$	1,970.50

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: 13 yea 0 nay. The motion carried.

**Resolution 2006-20** Be it resolved by the Board of Trustees of the LORCO Rural Wastewater District that it was moved by Dwaine Clinker, seconded by Barbara Harper;

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO MAKE APPLICATION AND ENTER INTO A COOPERATIVE AGREEMENT WITH THE OHIO WATER DEVELOPMENT AUTHORITY FOR PURPOSES OF

FUNDING FIVE MILLION, FOUR HUNDRED THOUSAND DOLLARS  
(\$5,400,000.00) FOR LORCO's PHASE ONE PROJECT KNOWN AS "THE  
CARLISLE EATON WASTEWATER PROJECT".

WHEREAS, the Lorain County Rural Wastewater District is formed under Chapter 6119 of the Ohio Revised Code and located in the County of Lorain, Ohio (hereinafter referred to as the "LGA") and the Lorain County Rural Wastewater District Board of Trustees is authorized by action of the Court of Common Pleas; and

WHEREAS, the LGA desires to obtain a loan from the Ohio Water Development Authority (hereinafter referred to as the "OWDA") to finance costs of the construction of such facilities on the terms set forth in the Cooperative Agreement (defined below); and

WHEREAS, the OWDA has indicated its willingness to make a loan for that purpose and on those terms;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the LORCO Rural Wastewater District, Lorain County, Ohio;

Section 1. That the LGA hereby approves the plan for construction of the aforesaid "Project" in cooperation with the OWDA under the provisions, terms and conditions set forth in the "Cooperative Agreement for State Planning Project" as set forth in Exhibit A (the "Cooperative Agreement") and hereby authorizes the Executive Director of the LGA to execute the Cooperative Agreement with the OWDA substantially in the form set forth in Exhibit A.

Section 2. That it is found and determined that all formal actions of the District Board of Trustees concerning and relating to the passage of this resolution were passed in an open meeting of this District, and that all deliberations of this District Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

The Vote resulted as follows 13 Yea 0 Nay. The motion carried

Executive Director Alspach completed the Administrative Report reviewing the funding progress, meetings held, and the staff report. Thanks were given for those who helped man the LORCO booth at the Lorain County Fair. Staff and members had many opportunities to speak with residents who had some concerns regarding bad information being circulated in their areas. It was a good opportunity to present factual information and ease the concerns.

As required by FirstMerit Bank, Executive Director Alspach requested a motion to approve reimbursement of reasonable and necessary expenses

incurred by FirstMerit Bank for their legal counsel's review of loan documents. A motion was made by Thomas Lahetta, seconded by James Wright authorizing the reimbursement of reasonable and necessary expenses incurred by FirstMerit Bank for legal counsel review. The vote resulted 13 Yea 0 Nay. The motion carried.

Administrative Assistant Haines reviewed the Financial Report.

Vice President Hartman called for any other business to come before the Board and asked the audience if they had any questions or concerns.

**Adjourn**

With no further business to come before the board, it was moved by Dominic Ferritto with a second by Thomas Lahetta to adjourn at this time 8:35 PM and meet again in regular session at 8:00 PM on Thursday, October 12, 2006 at the LORCO office located at 22898 West Road, Wellington. All voted yea. Motion carried.

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Vice President

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Secretary Treasurer