

SOUTHWEST LICKING COMMUNITY WATER & SEWER DISTRICT

P.O. BOX 215, ETNA, OH 43018

(740) 927-0410

BOARD MEETING MINUTES

January 13, 2015

1. OPENING

The January 13, 2015 meeting of the Board of Trustees of the Southwest Licking Community Water and Sewer District was called to order by Mr. Kretzmann at 1:00 pm. The Pledge of Allegiance was led by Mr. Kretzmann. Mr. Meade, Mr. Kretzmann and Mr. Carlisle were present at roll call. Also present were Don Rector, Kathy Killen, and Bobbie O'Keefe.

2. ADOPTION OF AGENDA

Mr. Carlisle made a Motion to approve the Agenda; Mr. Kretzmann seconded. Vote, all aye. Agenda adopted.

3. ELECTION OF OFFICERS

The Clerk, Bobbie O'Keefe, declared that all offices of the Southwest Licking Community Water and Sewer District were vacant pursuant to the District's By-Laws and that nominations for the President, Vice-President, Secretary and Treasurer of the board for the 2015 calendar year were necessary at this time.

The Clerk asked for a nomination for President. Mr. Meade moved to nominate and elect Mr. Kretzmann for President. Mr. Carlisle seconded the Motion. Upon call of the roll, each board member voted aye. Resolution No. 2015-001 to nominate and elect Mr. Kretzmann as President was approved.

The Clerk asked for a nomination for Vice-President. Mr. Kretzmann moved to nominate and elect Mr. Meade for Vice-President. Mr. Carlisle seconded the Motion. Upon call of the roll, each board member voted aye. Resolution No. 2015-002 to nominate and elect Mr. Meade as Vice-President was approved.

The Clerk asked for a nomination for Secretary. Mr. Kretzmann moved to nominate and elect Mr. Carlisle for Secretary. Mr. Meade seconded the Motion. Upon call of the roll, each board member voted aye. Resolution No. 2015-003 to nominate and elect Mr. Carlisle as Secretary was approved.

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The Clerk asked for a nomination for Treasurer. Mr. Kretzmann moved to nominate and elect Mr. Meade for Treasurer. Mr. Carlisle seconded the Motion. Upon call of the roll, each board member voted aye. Resolution No. 2015-004 to nominate and elect Mr. Meade as Treasurer was approved.

4. **APPROVAL OF MINUTES**

Mr. Kretzmann made a Motion, seconded by Mr. Meade, to approve the Minutes of the December 30, 2014 as presented. All voted aye. Motion carried.

5. **MOTION TO PAY BILLS**

Mr. Kretzmann made a Motion, which was seconded by Mr. Meade, to pay the bills as presented. All voted aye. Motion carried.

6. **COMMUNICATIONS**

Mr. Rector showed the board a copy of the Licking County Chamber of Commerce map, which identifies the locations of businesses or entities that pay \$350 to the chamber. Mr. Rector stated that he did not see the benefit to the district to be listed on the map. The board concurred with Mr. Rector's judgment.

7. **PUBLIC COMMENTS**

a. Mr. Duffy: Mr. Duffy presented several questions to the board which Mr. Rector answered. Mr. Duffy first asked whether the district had terrorist insurance coverage and also asked if war needed to be declared before benefits could be paid. Mr. Duffy then asked why the district used color coded bills, as he thinks preprinted color coded bills would be more expensive to purchase. Mr. Duffy then asked about a notation in previous minutes regarding manhole covers and the concrete deteriorating around them. Mr. Rector addressed each question in turn. He first stated that the district did not purchase insurance coverage for damages due to terrorism. The district has also not purchased coverage for cyber attacks. Mr. Rector then discussed the preprinted billing forms, and he stated that the district orders its bills from "Smart Bill," which also produces all of the district's bills. Mr. Rector further reported that the district staff investigated the option of producing the bills in-house, and at that time the Smart Bill option was less expensive. Lastly, Mr. Rector addressed the issue of the manholes. He informed Mr. Duffy that certain manholes have deteriorated due to the hydrogen sulfide gas generated by the sanitary sewer system. He stated that it is a constant struggle for all sewer systems. The gas cannot be vented, because any openings in or around the manholes increase the risk of water finding its way back into the sewer system. Expensive liners or other chemicals can be purchased; however, to do all of the manholes in the system at one time is extremely cost prohibitive. Therefore, the district addresses the problems as they arise in each manhole. The cost to add a

liner to a 10 foot manhole is at least \$3,000 to \$4,000, and deeper manholes are far more expensive.

b. Mr. Burkholder: Mr. Burkholder stated that he just wanted to listen in and see how things were going.

8. MEETING SCHEDULE FOR 2015

Mr. Meade stated that he would like to have a couple of evening meetings this year to see if residents of the district would like to attend. He stated that he recalls in 2014 there was an evening meeting and no one attended; however, he would like to try it again. Mr. Carlisle suggested that an evening meeting be held once per quarter. Mr. Kretzmann stated that he would try it once and if no one comes, no additional evening meetings should be scheduled. Mr. Rector reported that assessment letters for a new project will be mailed in March, and that new assessment projects typically bring residents to the meetings. Mr. Carlisle made a Motion, which was seconded by Mr. Meade, that the second meeting of April (April 28, 2015) and the second meeting in June (June 30, 2015) be night meetings, beginning at 6:00 pm, and that otherwise the meeting schedule for 2014 be carried through 2015. Upon call of the vote, Mr. Carlisle and Mr. Meade voted aye, and Mr. Kretzmann abstained. The Motion was approved.

9. GENERAL MANAGER'S REPORT

A. Kathy Killen discussed the appropriations and budgeting process and presented two resolutions for the board's consideration and approval:

1. Mr. Kretzmann made a Motion which was seconded by Mr. Meade to approve Resolution No. 2015-005 to provide for the current expenses and other expenditures of the board for fiscal year ending December 31, 2015, and that the following sums be and the same are hereby set aside and appropriated for the several purposes for which expenditures are to be made for and during said fiscal year, as follows, and that there be appropriated from the Enterprise Fund for the following expenses:

• Operating	\$ 1,451,953.15
• Collections	477,047.95
• Construction	217,996.41
• Administrative	851,017.17
• Debt Payment	7,190,741.00
• Capital Expense	100,000.00
TOTAL APPROPRIATIONS	\$10,288,755.68

Upon roll call vote, all voted aye. Resolution No. 2015-005 was approved.

2. Mr. Kretzmann made a Motion, which was seconded by Mr. Carlisle, to adopt Resolution No. 2015-006, to appropriate \$3,900,000.00 for depreciation expense for the fiscal year 2015 in accordance with the auditor's recommendation for compliance with annual depreciation. Upon roll call vote, all voted aye. Resolution No. 2015-006 was approved.

B. Deposit, Fee and Charge Schedule: Mr. Carlisle made a Motion, which was seconded by Mr. Kretzmann, to approve Resolution No. 2015-007 to amend the Deposit, Fee and Charge Schedule to add 10" and 12" diameter Water Tap and Fire Fees effective January 13, 2015, as follows: a) 10" Domestic Fee shall be \$415,643.00 and corresponding fire fee of \$166,257.00; and b) 12" Domestic Fee shall be \$516,643.00 and corresponding fire fee of \$180,825.00. Upon roll call vote, all voted aye. Resolution No. 2015-007 was approved. Mr. Rector stated that the new fire fees will be applied to the upcoming Prologis connections.

C. Salt Bids: Mr. Rector reported that the district received two bids in response to its request for bids; however, neither bidder actually bid on the salt. The current supplier had a mine collapse and there is no salt being produced. Mr. Rector is working with other suppliers to obtain salt and other bids. In the meantime, he is trying to work with the current supplier to determine when it will be able to produce salt again. Mr. Carlisle made a Motion, which was seconded by Mr. Kretzmann, to approve the amended salt bidding documents and to readvertise for bids for regenerating resin type water softener units. Upon roll call vote, all voted aye. Resolution No. 2015-008 was approved.

D. Water Plant Design Proposals: Mr. Rector stated that he received two proposals for the water plan design and distribution model. URS submitted a scope of services for the water plant, and CDM Smith Inc. submitted a scope of services for the Elevated Water Storage Tank and Water CAD Model. He requested that Bobbie O'Keefe review both contracts, and he plans to have a resolution to approve the agreements as modified at the next meeting. The planning loan application to OWDA will also be prepared for that meeting.

10. OFFICE MANAGER'S REPORT

The Office Manager was not present; however, her standard reports were included in the board's packet for the meeting.

11. ATTORNEY'S REPORT

Ms. O'Keefe indicated she had no report for this meeting, other than to discuss pending litigation in Executive Session.

12. EXECUTIVE SESSION

Mr. Carlisle made a Motion for the board to go into executive session pursuant to Ohio Rev. Code sec. 121.22 to discuss pending litigation. Mr. Meade seconded the Motion. Upon roll call vote, all voted aye. The board went into executive session at 1:40 pm.

Mr. Carlisle made a Motion for the board to come out of executive session. Mr. Kretzmann seconded the Motion. Upon roll call vote, all voted aye. The board came out of executive session at 2:04 pm.

13. ADDITIONAL PUBLIC COMMENTS

None.

14. TRUSTEE COMMENTS

A. Mr. Carlisle: Mr. Carlisle requested that Ms. Killen email the bills to the board prior to the meeting so that he can review them before coming to the meeting.

B. Mr. Kretzmann told the staff to keep up the good work.

Mr. Meade moved to adjourn, and Mr. Carlisle seconded the Motion.

The meeting was adjourned at 2: 06 pm.

ATTEST:



John Carlisle, Secretary