

# ***Ayersville Water and Sewer District***

## ***Meeting Minutes for the Board of Trustees***

January 21, 2016

### **Call to order**

John Miller called to order the regular meeting of the Ayersville Water and Sewer District Board of Trustees meeting at 7:02pm on January 21, 2016 at the AWSD District office.

### **Roll call**

President Schafer conducted a roll call. The following persons were present: Greg Schafer, VP Joanne Tuttobene, Treasurer Bob Cooper, Secretary Ronda Phillips, Board members, Frank D'Ambrosia, John Ehlinger, and John Miller, District Manager Caleb Antoine, employee Gayle Decator, and Attorney Carl Ireland.

### **Public Comment**

The floor was opened for public comment. Phase B resident and former Board member John Sindel was in attendance and started by congratulating the new Board members for their appointments to the Board and wished them success in their new roles. He further discussed some strategic visions that he thought were necessary for future success of the District, and some vulnerabilities as he saw it that need to be taken on in the wake of terrorist acts and other threats to water systems in general, such as what is currently happening in Flint, MI and their water crisis over lead leaching from the municipal water delivery systems and how it's poisoning the water supply. A couple items of note that were brought up by Mr. Sindel:

- The need to secure the lift stations, clearing stations and District office
- The potential vulnerability to TDHM contamination
- Fixes to the water tower and the addition of a 'bubbler system'
- Tapping of two wells to supplement the City of Defiance water we purchase which, in turn, would make the District less susceptible to rate increases and give the District some leverage in negotiations. The cost of treating fresh water (\$.01/gal) vs. treated water (\$.02/gal), which would also make having our own wells a good alternative as a cost savings measure.
- Having a lagoon system, which would also be a cost savings as we could treat our own waste

Mr. Sindel also brought up other issues that the Board of Trustees should address:

- The District doesn't have generators for the pump stations, the chlorine pump house or the District office to maintain operations during an emergency. He suggested purchasing a built-in standby generator (propane or diesel) for use during loss of power, or other emergencies, as loss of electrical power would shut down our operations.
- The need to look into a long-term plan (5-10 year), the impact of being proactive vs. reactive and the cost difference thereto

- Revisit Phase A and evaluate what needs to be done to improve the system for those residents, such as getting new grinder pumps for those residents with older pumps
- Opportunity to bring in Powell Creek Campground – the campground has 150 sites that remain full through much of the summer. Their waste storage system is inadequate, and eventually gets dumped into Powell Creek

Mr. Sindel addressed the need for having ‘new blood’ on the Board in saying “New blood, new ideas.” President Schafer thanks Mr. Sindel for his comments and his years of service for the community. The Board will take these ideas into consideration for future planning and improvements.

### **Approval of minutes from last meeting**

President Schafer asked for a motion to accept the minutes from the previous meeting, after reminding the Board that in the interest of expediency, we should be reviewing these minutes prior to the meeting, so as to keep the meetings moving. A motion to accept the minutes was made by John Miller; second by John Ehlinger. The voice vote was taken with Frank D’Ambrosia abstaining; the minutes were approved as written.

John Ehlinger commented on some classifieds of note in the Crescent-News, regarding other entities publishing ads in regards to their 2016 budgets being available for public perusal. Mr. Ehlinger was concerned that AWSO may be obligated to publish such an ad, and was concerned that we may be in violation. Attorney Ireland stated that running an ad is not a requirement, therefore we are not running afoul of the law as he sees it.

**Correspondence** – There was no new correspondence from Secretary Phillips at this time. District Manager Caleb Antoine had no new correspondence.

### **Reports of Officers, Committees and District Manager**

#### **President –**

- President Schafer asked the Board to read ahead and be prepared for the meetings ahead of time so that the meetings can keep moving. Greg also noted that he is a big fan of committees and recommended that the majority of the District’s work be done by the Committees, with the Board following the recommendations of said committees, as it helps the Board to do its work more efficiently.
- Greg asked District Mgr. Caleb Antoine to look into getting certificates for Class I Licenses for himself and Jamie. We only have one employee that is certified for water distribution, and we need to have a backup.
- Requested a copy of the State Audit report for the new Board Members.
- Reinforced that the Board members need to bring items/tasks to District Manager, so that he can pass those requests to the appropriate employee/s.

#### **Secretary –**

- Secretary Phillips have no new items for the Board.

**Treasurer –**

- Treasurer Cooper passed copies of the purchase orders to be reviewed and signed. A motion was made by Frank D’Ambrosia to accept the purchase orders, with a second by Vice Pres. Joanne Tuttobene. Treasurer Cooper requested that receipts be included with all of the credit card statements for the prior month, so that the Board can review the purchases and confirm that the District is being prudent with their purchases. A roll call vote was held to accept the purchase orders as follows:

Greg Schafer – yes                      Joanne Tuttobene – yes                      John Ehlinger – yes  
John Miller – yes                      Frank D’Ambrosia – yes                      Ronda Phillips – yes  
Bob Cooper – yes

- The Board reviewed the Bank Reconciliation statement, and Treasurer Cooper addressed what looked like the district lost money in 2015, and asked Gayle to explain the differences. Gayle noted that there was a software glitch in the online bill payment system that caused the payment of several customers’ bills to show up as later when they were scheduled on time, and the corresponding adjustments made to those accounts, as well as some checks paid to companies that had not been cashed until the statement had closed and debit card fees that will adjust in January.
- Treasurer Cooper, District Manager Antoine, Clerk Decator and Attorney Ireland met to review the Approved Vendor List and made decisions on how to categorize the vendors as active, inactive or deleted. DM Antoine sees this exercise as ‘micromanagement’, as vendors come and go, but sees that is necessary to review to see status of the vendors.
- Treasurer Cooper asked the question, “in this day and age of Electronic Funds Transfers (EFTs) and online payments, what are we writing checks for?” There is still a need to write checks for things like paychecks and miscellaneous services, i.e., Post Office.
- The adjustment report was reviewed (two pages). (See notes from the Bank Reconciliation report).
- The Wage/Leave Report for Employees and Board Members was reviewed.
- A motion to was made to approve the five reports, herein referred to as the Adjustment Report, Bank Reconciliation Report, Vendor List, Bank Statement Approval, and Wage and Leave, by Vice President Tuttobene; second by John Ehlinger. A roll call vote was taken as follows:

Greg Schafer – yes                      Joanne Tuttobene – yes                      John Ehlinger – yes  
John Miller – yes                      Frank D’Ambrosia – yes                      Ronda Phillips – yes  
Bob Cooper – yes

**District Manager –**

- District manager Antoine reports that the cold weather is causing problems with a couple of our systems, most notably the water tower. The lift pump on Dohoney froze up for 3 days. He has been able to get some help from former District Manager Dan Limber, although begrudgingly, but also called in the resource from the manufacturer of the lift pump to get it back up and operational. The water tower

remains a problem, as the heater in the pump room went out, causing a slew of things to go wrong. A critical PSI gauge broke and gave inaccurate readings to the water tower to fill or not fill. DM Antoine is conducting hourly checks and manually adjusting the water levels on the tower until the problems can be rectified. DM Antoine stated that the only way to find out what to do is when this kind of thing happens. John Miller asked about any sewer odor coming from the Dohoney pump, saying it has been a problem in the past and we have gotten many complaints from that area. DM Antoine hasn't received any complaints recently, and agrees that the better flow equates to less smell,

- DM Antoine noted that the grinder pump manufacturer for the E1 grinder pumps came in from Indianapolis, and would like to use our District to showcase their pumps. They will train our people on how to repair the pumps, which could bring in new business and show that AWSD has the ability to do those repairs for other districts, and potentially increase our revenue stream.
- Mr. Sindel noted that we may need to look into purchasing an alternative way to heat up the pumps that are brought in to be repaired during cold weather.
- Treasurer Cooper asked about the last water quality report, in wake of the Flint water crisis. Should we have Joe Ewers review the report and put it up on the website for public review to reassure our customers that we don't have a similar situation here? It was noted that AWSD's last Lead/Copper report was completed in 2014. Joe Ewers stopped in the office at this time (as if on cue!) and discussed the treatment by City of Defiance to add chemicals such as lime to the water for scaling which coats pipes to keep the lead from leaching into the water supply. There are other treatments implemented as a reaction to what the water needs at the time of testing. Secretary Phillips asked Mr. Ewers what is license does for our District. Joe Ewers holds a Class III license, which is based on the size of the entity being served (if I understood correctly). He also noted that there is a huge need for water systems operators and not nearly enough operators to fulfill all the openings. President Schafer expressed the need to find out how to notify customers, whether by mail, posting a notice in the office or on the website, and which way would be sufficient.

### **Unfinished Business, per Agenda**

- **Election of Committees** – The members of the Board commenced with nominations and selections of members to the following committees; Budget/Finance, Equipment & Safety, Planning (formerly known as Project), Employee Relations, Rules and Audit. \*See attached document titled "*Committees and Members, 2016*".
- A Motion was made to accept the Committee members as listed by Secretary Phillips, with a second by Vice President Tuttobene. The motion was voted on and carried by all members.
- It was also noted that the Chairs of each committee need to have a meeting to set up any plans for the new year. Chairs will contact the other committee members to set up a meeting that works for each member.

## New Business, per Agenda or Motion

- A motion was made to change the way the Board members are paid, after a ballot was handed out earlier in the meeting. The choices were monthly, quarterly, bi-annually and annually. The ballot majority was for quarterly pay for the Board members. Motion was made by John Ehlinger, with a second by President Schafer. The roll call vote went as follows:

Greg Schafer – yes                      Joanne Tuttobene – yes                      John Ehlinger – yes  
John Miller – yes                      Frank D’Ambrosia – yes                      Ronda Phillips – yes  
Bob Cooper – yes

Motion carried.

- **2016 Final Operating, Capital Improvements, Contingency and Cash Reserves Budget**

A motion was made to accept the recommendation of the Budget/Finance committee to approve the 2016 budget by John Miller with a second by John Ehlinger. Discussion items are as follows:

1. **Contingency and Cash Reserves Budgets** – President Schafer discussed the previous year’s budget compared to 2016 budget, the difficulties with creating new ‘funds’ (may not be the correct term) in UAN system, and potential problems with spending monies out of new ‘funds’ that have not been previously used/named.
2. Clerk Decator and Attorney Ireland discussed definitions of categories and what may trigger an audit (what ‘cost centers’ would trigger an audit).
3. President Schafer mentioned there seemed to be a discrepancy with one of the 5101 and 5781 accounts (deposits returned) with the budget being out of balance due to the 5781 monies showing up in more than one place. Clerk Gayle Decator wanted clarification of where the 5781 monies should be shown (she thought they should go in the 5101 account). President Schafer asked for the committee’s recommendation on where the Deposits Returned monies to show up.
4. Frank D’Ambrosia also noted that it appeared the district was losing money, but we are not because there was money moved from the General Fund.

5. Discussion was closed and a roll call vote was taken. The vote is as follows:

Greg Schafer – yes                      Joanne Tuttobene – yes                      John Ehlinger – yes  
John Miller – yes                      Frank D’Ambrosia – yes                      Ronda Phillips – yes  
Bob Cooper – yes

Motion carried.

- John Ehlinger brought a notice from the previous Board (not dated, but referencing April 2011) sent out to district customers concerning water and sewer rates and information about the Phase B completion. It was noted in the discussion that although the City of Defiance has continued to increase the cost of

water to the District, AWS D hasn't had a water increase since 2013. We may need to look at the reality of a water rate increase for the District.

**Enter into Executive Session, pursuant to ORC121.22**

- **A motion was made to go into Executive Session, pursuant to ORC 121.22, by John Miller, with a second by President Schafer at 8:48pm** for the purpose of discussing the pending litigation against the Estate of Hope Okuley and Finding for Recovery. Motion carried.
- **A motion was made to come out of Executive Session at 9:10pm by Frank D'Ambrosia, with a second by John Miller. Motion carried.**
- A motion was made to approve **Resolution 1601.03**, the Release, Settlement and Assignment of Claim/s with American Alternative Insurance Company, based on the Finding for Recovery. The roll call vote went as follows:

Greg Schafer – yes

Joanne Tuttobene – yes

John Ehlinger – yes

John Miller – yes

Frank D'Ambrosia – yes

Ronda Phillips – yes

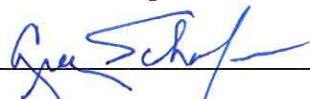
Bob Cooper – yes

**Adjournment**

John Miller made a motion to adjourn the meeting at 9:11 pm, with a second by Joanne Tuttobene.

Minutes submitted by: Ronda Phillips

Minutes approved by:



Greg Schafer, President



Ronda Phillips, Secretary