

**SOUTHWEST LICKING COMMUNITY WATER & SEWER DISTRICT
P.O. BOX 215, ETNA, OH 43018**

**BOARD MEETING MINUTES
May 11, 2023**

1. OPENING

The May 11, 2023, Regular Board Meeting of the Southwest Licking Community Water and Sewer District was called to order by Mr. Kretzmann at 4:00 p.m. The Pledge of Allegiance was led by Mr. Kretzmann. Mr. Kretzmann, Mr. Stepp, and Mrs. Carter were present at roll call. Also present were CJ Gilcher, Josephine Carrelli, Kathy Killen, Nick Eippert, and those members of the public who signed the sign in sheet. The meeting was also live streamed for public viewing.

2. ADOPTION OF AGENDA

Mr. Kretzmann made a motion, second by Mr. Stepp, to approve the agenda as presented. Upon roll call vote, all voted aye. Motion carried. Agenda adopted.

3. APPROVAL OF MINUTES

Mr. Kretzmann made a motion, seconded by Mr. Stepp to approve the meeting minutes from the April 27, 2023, Regular Meeting.

Upon roll call vote, all voted aye. Motion carried.

4. PAYMENT OF BILLS

Mrs. Carter moved to approve payment of the bills as presented. Mr. Kretzmann seconded. Upon roll call vote, all voted aye. Motion carried.

5. COMMUNICATIONS

There were no communications.

6. PUBLIC COMMENTS

Nita Hansen, Etna Township Administrator was present and said she was just there to observe and hopes to attend future meetings.

7. GENERAL MANAGER'S REPORT

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SUMMIT ROAD FORCE MAIN EXTENSION PROJECT UPDATE:

Mr. Gilcher said they are now tied into the existing force main and filling the new force main for hydrostatic pressure testing and it should be online in the next couple of weeks.

WORTHINGTON ROAD/SR 310 WATERLINE EXTENSION PROJECT UPDATE:

Mr. Gilcher said the contractor has gone down both sides of Jersey Mill and are working down Worthington Road and the project continues to move forward on schedule.

NATIONAL ROAD WELLS #8, 9, 10, 11 & 12 UPDATE:

Mr. Gilcher said Well #12 has been drilled. They are waiting for the screen that comes from California. Once it is received and installed, they will do the test pump rate. Once that is complete they will determine if Well #11 is feasible.

Mr. Stepp asked which wells were functionable and operational at this point. Mr. Gilcher said none of them are operational yet because there are no pumps yet. The next Part of the project will be to get the raw water line and electrical designed but the wells need to be drilled first. Wells #8, 9, 10 & 12 have been drilled.

RESOLUTION TO APPROVE AMENDED ENGINEERING AGREEMENT WITH AMERICAN STRUCTUREPOINT, INC FOR THE UNION TOWNSHIP WATERLINE EXTENSION PROJECT:

Mr. Gilcher presented a resolution for the Board's consideration and approval:

RESOLUTION:

Mr. Stepp made a motion, second by Mrs. Carter

R 2023-044

WHEREAS: THE SOUTHWEST LICKING COMMUNITY WATER AND SEWER DISTRICT HAS DETERMINED THE NEED TO DESIGN THE UNION TOWNSHIP WATERLINE EXTENSION PROJECT TO SERVICE FUTURE CUSTOMERS, AND;

WHEREAS: THE ACTING GENERAL MANAGER RECOMMENDS THAT THE DISTRICT AMEND THE ENGINEERING AGREEMENT WITH AMERICAN STRUCTUREPOINT, INC. TO PROVIDE WATERLINE

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**DESIGN SERVICES AS DESCRIBED IN THE SCOPE OF SERVICES,
AND;**

**THEREFORE: THE BOARD OF TRUSTEES APPROVES THE AMENDED
CONTRACT WITH AMERICAN STRUCTUREPOINT, INC. IN AN
AMOUNT NOT TO EXCEED \$492,070.00 AND HEREBY AUTHORIZES
THE PRESIDENT OF THE BOARD OF TRUSTEES TO SIGN THE
CONTRACT ATTACHED HERETO PENDING FINAL REVIEW BY
DISTRICT LEGAL COUNSEL, AND;**

**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 THIS 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.**

DISCUSSION:

Mr. Kretzmann asked what was being changed.

Mr. Gilcher said that while Structurepoint is working on the main they are going to try to encompass the sanitary sewer easements at the same time. If the easements can be obtained now it will make that project easier and quicker when that time comes.

UPON ROLL CALL VOTE, ALL VOTED AYE. RESOLUTION NO. 2023-044 WAS APPROVED.

Mr. Stepp asked how the lift station project on Smoke Rd project was going.

Mr. Gilcher said the wet well has been set and they are getting ready to start some of the piping work. The main structure where the pump sits is set and they are moving forward on schedule.

8. OFFICE MANAGER'S REPORT

Mrs. Carrelli had nothing to present.

9. ATTORNEY'S REPORT

Mr. Eippert said they have been asked to look into reimbursement for a potential loan for the Morse Rd property purchase. He said this is to declare our intent to seek reimbursement.

Mr. Eippert presented a resolution for the Board's consideration and approval:

RESOLUTION:

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Mr. Kretzmann made a motion, second by Mrs. Carter

R 2023-045

RESOLUTION OF DECLARATION OF OFFICIAL INTENT WITH RESPECT TO REIMBURSEMENT OF TEMPORARY ADVANCES MADE FOR CAPITAL EXPENDITURES TO BE MADE FROM SUBSEQUENT BORROWINGS

WHEREAS, TREASURY REGULATION § 1.150-2 (THE "REIMBURSEMENT REGULATIONS"), ISSUED PURSUANT TO SECTION 150 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, (THE "CODE") PRESCRIBES CERTAIN REQUIREMENTS BY WHICH PROCEEDS OF TAX-EXEMPT BONDS, NOTES, CERTIFICATES OR OTHER OBLIGATIONS INCLUDED IN THE MEANING OF "BONDS" UNDER SECTION 150 OF THE CODE ("OBLIGATIONS") USED TO REIMBURSE ADVANCES MADE FOR CAPITAL EXPENDITURES (AS HEREINAFTER DEFINED) PAID BEFORE THE ISSUANCE OF SUCH OBLIGATIONS MAY BE DEEMED "SPENT" FOR PURPOSES OF SECTIONS 103 AND 141 TO 150 OF THE CODE AND THEREFORE, NOT FURTHER SUBJECT TO ANY OTHER REQUIREMENTS OR RESTRICTIONS UNDER THOSE SECTIONS OF THE CODE; AND

WHEREAS, SUCH REIMBURSEMENT REGULATIONS REQUIRE THAT AN ISSUER (AS HEREINAFTER DEFINED) MAKE A DECLARATION OF OFFICIAL INTENT (AS HEREINAFTER DEFINED) TO REIMBURSE ANY CAPITAL EXPENDITURE PAID PRIOR TO THE ISSUANCE OF THE OBLIGATIONS INTENDED TO FUND SUCH CAPITAL EXPENDITURE AND REQUIRE THAT SUCH DECLARATION OF OFFICIAL INTENT BE MADE NO LATER THAN SIXTY (60) DAYS AFTER PAYMENT OF THE CAPITAL EXPENDITURE AND FURTHER REQUIRE THAT ANY REIMBURSEMENT ALLOCATION (AS HEREINAFTER DEFINED) OF THE PROCEEDS OF SUCH OBLIGATIONS TO REIMBURSE SUCH CAPITAL EXPENDITURES OCCUR NO LATER THAN EIGHTEEN (18) MONTHS AFTER THE LATER OF THE DATE THE CAPITAL EXPENDITURE WAS PAID OR THE DATE THE PROPERTY ACQUIRED WITH THE CAPITAL EXPENDITURE WAS PLACED IN SERVICE, EXCEPT THAT ANY SUCH REIMBURSEMENT ALLOCATION MUST BE MADE NO LATER THAN THREE YEARS AFTER SUCH CAPITAL EXPENDITURE WAS PAID; AND

WHEREAS, THE SOUTHWEST LICKING COMMUNITY WATER & SEWER DISTRICT, LICKING COUNTY, OHIO (THE "DISTRICT") WISHES TO ENSURE COMPLIANCE WITH THE REIMBURSEMENT REGULATIONS;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SOUTHWEST LICKING COMMUNITY WATER & SEWER DISTRICT, COUNTY OF LICKING, OHIO, THAT:

SECTION 1. DEFINITIONS. THE FOLLOWING DEFINITIONS APPLY TO THE TERMS USED HEREIN:

"ALLOCATION" MEANS WRITTEN EVIDENCE THAT PROCEEDS OF OBLIGATIONS ISSUED SUBSEQUENT TO THE PAYMENT OF A CAPITAL EXPENDITURE ARE TO REIMBURSE THE ISSUER FOR SUCH PAYMENTS. "TO ALLOCATE" MEANS TO MAKE SUCH AN ALLOCATION.

"CAPITAL EXPENDITURE" MEANS ANY EXPENSE FOR AN ITEM THAT IS PROPERLY DEPRECIABLE OR AMORTIZABLE OR IS OTHERWISE TREATED AS A CAPITAL EXPENDITURE FOR PURPOSES OF THE CODE, AS WELL AS ANY COSTS OF ISSUING REIMBURSEMENT BONDS.

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“DECLARATION OF OFFICIAL INTENT” MEANS A WRITTEN DECLARATION THAT THE ISSUER INTENDS TO FUND CAPITAL EXPENDITURES WITH AN ISSUE OF REIMBURSEMENT BONDS AND REASONABLY EXPECTS TO BE REIMBURSED FROM THE PROCEEDS OF SUCH AN ISSUE.

“ISSUER” MEANS EITHER A GOVERNMENTAL UNIT THAT IS REASONABLY EXPECTED TO ISSUE OBLIGATIONS, OR ANY GOVERNMENTAL ENTITY OR 501(C)(3) ORGANIZATION THAT IS REASONABLY EXPECTED TO BORROW FUNDS FROM THE ACTUAL ISSUER OF THE OBLIGATIONS.

“REIMBURSEMENT” MEANS THE RESTORATION TO THE ISSUER OF MONEY TEMPORARILY ADVANCED FROM OTHER FUNDS, INCLUDING MONEYS BORROWED FROM OTHER SOURCES, OF THE ISSUER TO PAY FOR CAPITAL EXPENDITURES BEFORE THE ISSUANCE OF OBLIGATIONS INTENDED TO FUND SUCH CAPITAL EXPENDITURES. “TO REIMBURSE” MEANS TO MAKE SUCH A RESTORATION.

“REIMBURSEMENT BONDS” MEANS OBLIGATIONS THAT ARE ISSUED TO REIMBURSE THE ISSUER FOR CAPITAL EXPENDITURES, AND FOR CERTAIN OTHER EXPENSES PERMITTED BY THE REIMBURSEMENT REGULATIONS, PREVIOUSLY PAID BY OR FOR THE ISSUER.

“REIMBURSEMENT REGULATIONS” MEANS TREASURY REGULATION § 150-2 AND ANY AMENDMENTS THERETO OR SUPERSEDING REGULATIONS, WHETHER IN PROPOSED, TEMPORARY OR FINAL FORM, AS APPLICABLE, PRESCRIBING CONDITIONS UNDER WHICH THE PROCEEDS OF OBLIGATIONS MAY BE ALLOCATED TO REIMBURSE THE ISSUER FOR CAPITAL EXPENDITURES AND CERTAIN OTHER EXPENSES PAID PRIOR TO THE ISSUANCE OF THE OBLIGATIONS SUCH THAT THE PROCEEDS OF SUCH OBLIGATIONS WILL BE TREATED AS “SPENT” FOR PURPOSES OF SECTIONS 103 AND 141 TO 150 OF THE CODE.

SECTION 2. DECLARATION OF OFFICIAL INTENT.

(A) THE DISTRICT DECLARES THAT IT REASONABLY EXPECTS THAT THE CAPITAL EXPENDITURES DESCRIBED IN SECTION (B), WHICH WERE PAID NO EARLIER THAN SIXTY (60) DAYS PRIOR TO THE DATE HEREOF, OR WHICH WILL BE PAID PRIOR TO THE ISSUANCE OF ANY OBLIGATIONS INTENDED TO FUND SUCH CAPITAL EXPENDITURES, WILL BE REIMBURSED WITH THE PROCEEDS OF OBLIGATIONS, REPRESENTING A BORROWING BY THE DISTRICT IN THE MAXIMUM PRINCIPAL AMOUNT, FOR SUCH REIMBURSEMENTS, OF \$4,622,117; AND

(B) THE CAPITAL EXPENDITURES TO BE REIMBURSED HAVE BEEN OR ARE EXPECTED TO BE ADVANCED FROM THE DISTRICT’S GENERAL FUND AND ARE TO BE USED FOR ACQUIRING LAND TO BE USED FOR ACQUIRING, CONSTRUCTING, EXPANDING, RENOVATING OR IMPROVING THE EXISTING WATER SUPPLY AND DISTRIBUTION SYSTEM AND/OR THE SANITARY SEWER COLLECTION AND TREATMENT SYSTEM OF THE DISTRICT, ALONG WITH ANY RELATED FURNITURE, FIXTURES AND EQUIPMENT PROVIDED BY AN ANTICIPATED TAX-EXEMPT FINANCING.

SECTION 3. REASONABLE EXPECTATIONS. THE DISTRICT DOES NOT EXPECT ANY OTHER FUNDS (INCLUDING THE MONEY ADVANCED TO MAKE THE CAPITAL EXPENDITURES THAT ARE TO BE REIMBURSED), TO BE RESERVED, ALLOCATED ON A LONG-TERM BASIS, OR OTHERWISE SET ASIDE BY THE DISTRICT OR ANY OTHER ENTITY, WITH RESPECT TO THE CAPITAL EXPENDITURES FOR THE PURPOSES DESCRIBED IN SECTION 2(B).

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SECTION 4. AUTHORIZED SIGNATORY. THE BOARD AUTHORIZES THE BOARD PRESIDENT TO SIGN ANY AND ALL DOCUMENTS NECESSARY TO CARRY FORWARD THE PURPOSE OF THIS RESOLUTION.

SECTION 5. OPEN MEETING. IT IS FOUND AND DETERMINED THAT ALL FORMAL ACTIONS OF THIS BOARD OF TRUSTEES OF THE DISTRICT 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 THIS 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 THE LAW, INCLUDING SECTION 121.22 OF THE REVISED CODE OF OHIO.

SECTION 6. EFFECTIVE DATE. THIS RESOLUTION SHALL TAKE EFFECT IMMEDIATELY UPON ITS ADOPTION.

UPON ROLL CALL VOTE, ALL VOTED AYE. RESOLUTION NO. 2023-045 WAS APPROVED.

10. EXECUTIVE SESSION

There was no executive session.

11. TRUSTEES' COMMENTS

Mrs. Carter said there was an article in the Newark Advocate today about the recent land purchase and plans for a wastewater treatment plant in St Albans Township. She asked when the District initially went into contract with the Licking County Commissioners.

Mr. Gilcher said the original contract was done in 2010. It was amended in 2013 to change the service territory a little bit and amended again in 2022. He said the District did some master planning in 2010-2011 with URS and nothing has really come to fruition in the last 10 years or so and as development has increased it has pushed the District to start moving into those areas but it all stems from the original 2010 agreement with the Licking County Commissioners.

Mrs. Carter asked what initiated the amended agreement last year. She asked if it was because of the growth and the Commissioners came to us or did we initiate that with them.

Mr. Gilcher said he thinks the Intel announcement drove a lot of that discussion and that Andrew King was working closely with them at that time. He said there were direct conversations between the District and the Commissioners regarding the expansion and there were discussions and requested meetings with other entities as well.

Mrs. Carter said if you read the article some people are saying they were never reached out to or talked to about any of the plans. She said there was also some talk about people wanting representation on the Board. She said she has gotten a different impression from some of her recent dealings with different individuals. She asked if it was customary

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that we would reach out to different entities to inform them of any plans we have in their jurisdiction.

Mr. Gilcher said the District did reach out to St Albans Township, Monroe Township and Jersey Township and there was a meeting held regarding the expansion of the service territory, however St Albans Township and Monroe Township did not show up that meeting and he said he does not believe the County Commissioners showed up the meeting either. He said he believes it was part of the agreement that the meeting had to happen if there was any proposed expansion of the service territory.

Mr. Kretzmann said at least 5 years ago he and Mr. Rector went to the Village of Alexandria to talk to them about it. He said there was a water proposal for them ready to go and they chose not to proceed with it. He said the Board is and always has been willing to talk to anybody who wants to discuss the expansion.

Mrs. Carter said she appreciated the background information as this was all coming up as she was just coming on the Board.

Mr. Gilcher said they spoke with Framework and to American Structurepoint who is doing the County regional water and sewer master plan and they were made aware of the expansion plans within Jersey and St Albans Township. He also said everything was done in a public meeting. The RFQ for the wastewater plant was approved at the last meeting.

Mr. Stepp stated an RFQ doesn't even need to come in front of the Board because no money is being spent yet but he said that is not how the District functions. He said Mr. Gilcher wants them to be in the loop and he brings those items to the Board in a public meeting which then becomes available to the public which is being transparent. He said he would more than happy to sit down and talk to anybody and said he has never been reached out to by the individuals names in the newspaper article. He said he thinks it is unfortunate that most of the newspaper articles are negative towards the District. He said he has had some great meetings with community leaders over the last 9 months and every one of those meetings has been positive. He said some negative comments have come out after the fact, but those individuals never communicated anything back to him. He said the vision of the District was shared openly in January in a big forum and it doesn't seem like a stretch that we would need to purchase property in order to fulfill that vision.

Mr. Kretzmann said he continues to invite people to speak to them as individual Board members.

Mrs. Carter said none of them are afraid of a difficult conversation and not every decision is going to be popular with everyone but that is the nature of the beast sometimes. She said ultimately, she will be as transparent as she possible can and talk about things openly and work with the other board members as much as she is able to.

Mr. Stepp said they will work together, along with the team at the District to continue to grow and continue to take care of the existing customers, continue to welcome new customers to the District in hopes that with the new customers coming into the District rates can remain stable. He said in all the years he has lived in his home, he got the lowest water bill he has ever had a few months ago and he said there is some credit that can go to the Board for

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making decisions along the way to help be responsible when it comes to handling the future of the existing customers.

Mrs. Carter said she is not personally opposed to having more board members from entities such as Jersey and Union Township but said that is a discussion to have in the future. She said there also must be skin in the game. She doesn't think that just because we have an area that we could build in means that entity would automatically get a seat on the Board.

Mr. Kretzmann made a motion, seconded by Mr. Stepp to reschedule the June 29, 2023, meeting to June 27, 2023, at 5:00pm as a special meeting.

Upon roll call vote, all voted aye. Motion carried.

Mrs. Killen wanted to remind everyone the Audit Finance Meeting will be May 25, 2023, at 3:00pm.

12. ADJOURNMENT

Mr. Stepp made a motion, second by Mrs. Carter that the meeting would be adjourned.

Upon Roll Call vote, all voted aye. The meeting was adjourned at 4:29 p.m.

ATTEST:



Melissa Carter, Secretary

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REGULAR BOARD MEETING

MAY 11, 2023, 4:00pm Live Streamed for Public Viewing

SIGN BELOW:

NAME

ADDRESS

PHONE

**SWLCWSD
OFFICE REPORT
05/11/23**

1) Connection Fees Collected

	2021	2022	1st Qtr. 2023	2nd Qtr. 2023	3rd Qtr. 2023	4th Qtr. 2023	Total 2023
Water	\$3,302,569.87	\$1,509,126.87	\$57,750.97	\$183,387.00			\$241,137.97
Sewer	\$2,160,023.93	\$1,127,636.52	\$28,712.00	\$60,015.26			\$88,727.26
Total	\$5,462,593.80	\$2,636,763.39	\$86,462.97	\$243,402.26	\$0.00	\$0.00	\$329,865.23

2) Billing Charges

	2021	2022	1st Qtr 2023	2nd Qtr. 2023	3rd Qtr. 2023	4th Qtr. 2023	Total 2023
Water	\$3,020,543.16	\$3,083,747.26	\$796,260.94	\$272,517.63			\$1,068,778.57
Sewer	\$6,596,057.67	\$6,661,980.99	\$1,645,164.51	\$545,760.61			\$2,190,925.12
Total	\$9,616,600.83	\$9,745,728.25	\$2,441,425.45	\$818,278.24	\$0.00	\$0.00	\$3,259,703.69

3) Capacity Fees

	2021	2022	1st Qtr. 2023	2nd Qtr. 2023	3rd Qtr. 2023	4th Qtr. 2023	Total 2023
Water	\$91,740.00	\$41,133.13	\$0.00	\$6,950.00			\$6,950.00
Sewer	\$84,095.00	\$40,438.12	\$0.00	\$8,783.50			\$8,783.50
Total	\$175,835.00	\$81,571.25	\$0.00	\$15,733.50	\$0.00	\$0.00	\$15,733.50

4) Assessment Revenue

	2021	2022	2023	Total 2023
1st Half	\$302,195.30	\$164,451.34	\$109,578.58	\$109,578.58
2nd Half	\$249,139.14	\$141,199.87		
	\$551,334.44	\$305,651.21	\$109,578.58	\$109,578.58

Cash in Bank	As of 05/11/23	As of 05/10/22
	\$16,668,317.19	\$23,057,185.42
*Does not allow for future expenses		
Loan Payment Due 07/01/23	\$2,000,000.00	\$3,200,000.00
Balance Available	\$14,668,317.19	\$19,857,185.42