

**SOUTHWEST LICKING COMMUNITY WATER & SEWER DISTRICT**

**P.O. BOX 215, ETNA, OH 43018**

**(740) 927-0410**

**BOARD MEETING MINUTES**

**December 8, 2015**

**1. OPENING**

The December 8, 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. Mr. Kretzmann, Mr. Carlisle and Mr. Meade were present at roll call. Also present were Don Rector, Kathy Killen and Bobbie O'Keefe.

**2. ADOPTION OF AGENDA**

Mr. Kretzmann made a Motion to adopt the Agenda. Mr. Meade seconded. Vote, all aye. Agenda was adopted.

**3. APPROVAL OF MINUTES**

Mr. Carlisle made a Motion to approve the Board Meeting Minutes from November 24, 2015, and also the Minutes of the Audit and Finance Committee meeting on the same date. Mr. Kretzmann seconded the Motion. Vote, all aye. Minutes of both meetings were approved.

**4. PAYMENT OF BILLS**

Mr. Kretzmann made a Motion, which was seconded by Mr. Meade, to pay the bills as presented. Vote, all aye. Motion was approved.

**5. COMMUNICATIONS/WRITTEN PUBLIC COMMENTS**

OUPS: Mr. Rector stated that the district received a letter from OUPS indicating it needed to impose a system wide assessment to deal with cost overruns. The district's portion of that assessment is \$879.94 for which it will receive an invoice. Mr. Rector stated that this is unusual. Typically, the district pays a fee based on the number of locates requested. The total the district spends is between \$3,000 - \$4,000 per year.

**6. PUBLIC COMMENTS**

None.

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## **7. GENERAL MANAGER'S REPORT**

a. Resolution to Hire Sean Ryan: Mr. Rector presented a resolution to hire Sean Ryan for the construction/utility locator position at a pay rate of \$16.75 per hour beginning December 14, 2015, pending satisfactory completion of the required drug test and background check. Mr. Rector stated that the position carries a 180 day probationary period, with health care benefits being available after 90 days. Mr. Kretzmann asked why does it take 90 days before new employees are covered under the district's health care plan. Mr. Rector responded that a new employee must find other options for coverage during that 90 day period, such as COBRA. It has been a long standing policy of the district and no one has ever brought it up before. Mr. Carlisle asked whether Mr. Ryan would be able to enroll in the District's health insurance plan if he pays the premiums for three months. Mr. Meade asked if Mr. Rector would investigate this option, and Mr. Rector indicated he would do so. Mr. Kretzmann stated that the district needs to address this policy. Mr. Kretzmann moved to approve Resolution 2015-053 to hire Sean Ryan according to the terms of the resolution, and contingent upon the results of the drug test and background check. Mr. Meade seconded. Upon roll call vote, all voted aye. Resolution No. 2015-053 was approved.

b. Resolution to Approve Policy for Outstanding Checks: Ms. Killen stated that the policy for handling outstanding checks was ready for board action. She indicated that this is the policy discussed at the last meeting, which results from the last audit. Mr. Meade asked when the policy would go into effect. Ms. Killen stated it would go into effect immediately. Mr. Kretzmann made a motion to approve Resolution No. 2015-054 to adopt a policy for handling outstanding checks. Mr. Meade seconded the motion. Upon roll call vote, all voted aye. Resolution No. 2015-054 was approved.

c. Resolution to Enter into an Amendment of the August 31, 1999 Water Interconnect Contract with Fairfield County: Mr. Rector presented Resolution No. 2015-055 to amend the August 31, 1999 Water Interconnect Contract with Fairfield County for the purpose of allowing for an additional public water interconnect and booster station at the Haaf Farms Subdivision. Mr. Rector explained that the only way the district can obtain water now from Fairfield County is if the district's tank is empty. The Haaf Farms station allows water to be obtained before the tank runs dry and gives additional capacity, which is not guaranteed. In addition, the additional connection and booster station will provide reserve if the district is unable to supply the Jefferson District with water. Once this amendment is done, Mr. Rector will discuss a modification of the Jefferson contract connecting all three entities with each being able to provide additional water when one of the other entities has an emergency. Fairfield County has agreed with the amendment. Mr. Kretzmann moved to approve Resolution No. 2015-055 to amend the August 31, 1999 Water Interconnect Contract between the district and Fairfield County to allow for an additional public water interconnect and booster station at the Haaf Farms Subdivision. Mr. Meade seconded the motion. Mr. Carlisle asked if page one of the

amendment, Section 5, should read the “Haaf Farm Booster Station and/or New England Acres” instead of “or”. Mr. Rector stated that it is highly unlikely both would be connected at the same time, but it is possible. Mr. Carlisle also asked what the rate will be for the water being purchased under the contract, and Mr. Rector stated it is the going rate with no surcharge. Mr. Carlisle moved to amend Section 5 in the first two paragraphs to state “and/or” instead of “or”. Mr. Kretzmann then asked whether all of the water is treated and Mr. Rector replied that it is. Mr. Kretzmann then seconded the motion to modify the draft of the amendment as moved by Mr. Carlisle. Upon call for the vote, all voted aye to modify the draft of the amendment to state “and/or”. Mr. Kretzmann then called for the vote on the underlying motion. Upon roll call vote, all voted aye. Resolution No. 2015-055 was approved.

e. General Liability: Mr. Rector reported that he had been working with Burnham and Flowers to get a final quote for general liability coverage. He stated that he has been communicating back and forth with the agency and its underwriters who have had many questions. He commented that Burnham and Flowers has been working hard to obtain a quote before the meeting, but he had not received one as of that time. He reminded the board that the district is down to the wire, because a check would need to be cut and approved today in order to pay for coverage by the renewal deadline, which is December 25. Mr. Rector indicated that the options now are for the board to wait and get the final quote from Burnham and Flowers, which would require another board meeting between now and December 25, or to go forward with the renewal with the current agency. Mr. Rector stated his preference for waiting because there has been an incredible amount of work that has gone into answering the questions of the underwriters. Mr. Carlisle said that he believes the district must give seven days’ notice to the prior agency if the district intends to terminate the policy. Mr. Kretzmann moved to pass Resolution No. 2015-056 to accept the general liability insurance proposal presented by Wickart Insurance with Selective as the underwriter for the year 2016, effective 12/25/15, in the amount of \$44,238. Mr. Meade seconded. Mr. Carlisle stated his preference that the board should wait to see what the Burnham and Flowers quote was going to be. He believes that too much time had been invested to obtain the new proposal. Mr. Kretzmann called the question. Upon roll call vote, Mr. Kretzmann voted yes, Mr. Meade voted yes and Mr. Carlisle voted no. Resolution No. 2015-056 was approved.

f. High User Report: Mr. Rector indicated that the usual high users were on the report. He stated that there were some leaks again, with Cumberland Links, the Flying J, and Willowbrook using a lot of water. Otherwise there were no fluctuations of any significance.

g. Tap Fee Collections: Mr. Rector stated that November turned out to be pretty brisk in tap fee activity. He advised the board that the full report is in the board meeting packet.

h. Final Debt Analysis: Mr. Rector stated that the final debt analysis report was prepared and that payments would begin decreasing in 2017; however, assessment collections would also begin to decrease as loans were repaid in full.

i. Project Updates: Mr. Rector said that he was fielding many inquiries about new development. He indicated that the Pataskala Corporate Park is active, with three inquiries in the last three weeks. He stated that each inquiry varies as to the size of the development, and that he has been able to say yes to all of them at this point. He also commented that in addition to new developments, current developments are looking to expand. The land at Prologis on Refugee and Mink is in the preliminary development stage. Buckhorn is designed, but he does not believe it will be built in the near future.

**8. OFFICE MANAGER'S REPORT**

None; Ms. Loomis attended the Chamber Safety Meeting.

**9. ATTORNEY'S REPORT**

None.

**10. EXECUTIVE SESSION**

Mr. Carlisle made a Motion, which was seconded by Mr. Meade, to go into Executive Session for the purpose of discussing personnel issues and pending litigation. Upon roll call vote, all voted aye. The board went into Executive Session at 1:40 pm.

Mr. Kretzmann made a Motion, which was seconded by Mr. Carlisle, to come out of Executive Session. Upon roll call vote, all voted aye. The board came out of Executive Session at 1:56 pm.

**11. ADDITIONAL PUBLIC COMMENTS**

None.

**12. TRUSTEE COMMENTS**

a. Carlisle: None.

b. Meade: Mr. Meade reported that Pataskala council discussed the Taylor Road widening project at its last council meeting, as well as the Pataskala Corporate Park. He stated that he told council the district board did not vote to increase rates in 2016.

c. Kretzmann: Mr. Kretzmann stated that he had a wonderful time at the Harrison Township meeting. He reported that to his knowledge the Pataskala JEDD has not produced any

income. Mr. Kretzmann stated he was happy Mr. Rector was moving forward with hiring Mr. Ryan. He also indicated he was happy the district's debt has been reduced to the extent it has.

**13. GENERAL LIABILITY COVERAGE:** Mr. Rector stated that he just received the quote from Burnham and Flowers. He stated that he wanted to review the quote in greater detail, but it appeared that the deductible would be significantly higher under this proposal (\$5,000 as opposed to \$1,000).

**14. ADJOURNMENT.**

Mr. Carlisle made a Motion to adjourn and Mr. Meade seconded. The meeting was adjourned at 2:06 pm.

ATTEST.

  
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John Carlisle, District Secretary