

SOUTHWEST LICKING COMMUNITY WATER & SEWER DISTRICT

P.O. BOX 215, ETNA, OH 43018

(740) 927-0410

BOARD MEETING MINUTES

November 29, 2016

1. OPENING

The November 29, 2016 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, led by Mr. Kretzmann, had already been recited prior to the Audit Finance Committee meeting that was held immediately prior to the regular board meeting. Mr. Kretzmann, Mr. Fox and Mr. Carlisle were present at roll call. Also present were Leo Conkel, CJ Gilcher, Rhonda Loomis and Bobbie O'Keefe. No members of the public were present.

2. ADOPTION OF AGENDA

Mr. Kretzmann made a Motion to approve the Agenda; Mr. Fox seconded. Ms. Loomis presented a resolution to appoint Mr. Fox as Treasurer of the board. Mr. Kretzmann stated that this could be handled later in the meeting. Ms. Loomis added it to her agenda items. Vote, all aye. Agenda adopted with the addition of the resolution regarding the Treasurer's position.

3. APPROVAL OF MINUTES

Mr. Kretzmann made a Motion to approve the Minutes of the October 11, 2016 meeting. Mr. Carlisle seconded. Upon call for the vote, Mr. Kretzmann and Mr. Carlisle voted aye, and Mr. Fox abstained. The Minutes were approved.

4. PAYMENT OF BILLS

Mr. Kretzmann made a Motion, which was seconded by Mr. Carlisle, to pay the bills as presented. Upon call for the vote, Mr. Kretzmann and Mr. Carlisle voted aye, and Mr. Fox abstained. Motion was approved.

5. COMMUNICATIONS

None.

6. PUBLIC COMMENTS

None.

November 29, 2016

Page 1 of 6

7. GENERAL MANAGER'S REPORT

a. Potential Property Purchase: Mr. Conkel reported that he had received no additional communications since the last meeting from the individual interested in selling property.

b. Bills of Sale for Cumberland Crossing: Mr. Conkel stated that he had four bills of sale signed by the developer to accept the transfer of the water and sewer facilities in Cumberland Trails 3-1 and 3-2. The developer for Watkins Grove Phase 2 had not submitted the signed developer's agreement before the board meeting. He expects Watkins Grove Phase 2 will be submitted before the next meeting. He indicated that he preferred that the developer already have signed the documents prior to them being presented to the board for approval.

i. Cumberland Crossing Section 3-1 Bill of Sale for Water: The District entered into a Developer's Agreement with Dominion Homes, Inc., for Cumberland Crossing Section 3-1. Thereafter Dominion Homes Inc., assigned the agreement to Pulte Homes of Ohio, LLC, and Pulte Homes of Ohio has completed all remaining punch list items and has fulfilled its contractual requirements regarding the construction of the water infrastructure. Upon Motion by Mr. Kretzmann and second by Mr. Carlisle, the board of trustees approved of said bill of sale for the water facilities in Cumberland Crossing section 3 – 1. Upon roll call vote, all voted aye. Resolution No. 2016-054 was approved.

ii. Cumberland Crossing Section 3-2 Bill of Sale for Water: The District entered into a Developer's Agreement with Dominion Homes, Inc., for Cumberland Crossing Section 3-1. Thereafter Dominion Homes Inc., assigned the agreement to Pulte Homes of Ohio, LLC, and Pulte Homes of Ohio has completed all remaining punch list items and has fulfilled its contractual requirements regarding the construction of the water infrastructure. Upon Motion by Mr. Kretzmann and second by Mr. Carlisle, the board of trustees approved of said bill of sale for the water facilities in Cumberland Crossing section 3 – 2. Upon roll call vote, all voted aye. Resolution No. 2016-055 was approved.

iii. Cumberland Crossing Section 3-1 Bill of Sale for Sewer: The District entered into a Developer's Agreement with Dominion Homes, Inc., for Cumberland Crossing Section 3-1. Thereafter Dominion Homes Inc., assigned the agreement to Pulte Homes of Ohio, LLC, and Pulte Homes of Ohio has completed all remaining punch list items and has fulfilled its contractual requirements regarding the construction of the sanitary sewer infrastructure. Upon Motion by Mr. Fox and second by Carlisle, the board of trustees approved of said bill of sale for the sanitary sewer facilities in Cumberland Crossing section 3 – 1. Upon roll call vote, all voted aye. Resolution No. 2016-056 was approved.

iv. Cumberland Crossing Section 3-2 Bill of Sale for Sewer: The District entered into a Developer's Agreement with Dominion Homes, Inc., for Cumberland Crossing Section 3-2. Thereafter Dominion Homes Inc., assigned the agreement to Pulte Homes of Ohio, LLC, and Pulte Homes of Ohio has completed all remaining punch list items and has fulfilled its contractual requirements regarding the construction of the sanitary sewer infrastructure. Upon Motion by Mr. Fox and second by Mr. Carlisle, the board of trustees approved of said bill of sale for the sanitary sewer facilities in Cumberland crossing section 3 – 2. Upon roll call vote, all voted aye. Resolution No. 2016-057 was approved.

c. Contact with Pataskala: Mr. Conkel indicated that he will be having another meeting at the end of the week with Pataskala to discuss a resolution of the service area questions.

d. EPA Meeting: Mr. Conkel stated that we will be visiting with the Ohio EPA to help the District identify expansion options for treatment for the west side of the District. He stated that any project to expand treatment options at the wastewater plant would not materialize for at least five years.

e. Water Treatment Plant: Mr. Conkel reported that the District has received the first set of questions from the Ohio EPA regarding the water treatment plant project. The questions requested additional detail about the project, and the engineer has already addressed most of the questions with the EPA. Mr. Conkel said the project remained on schedule for a first quarter bid.

8. OFFICE MANAGER'S REPORT:

a. Resolution to Accept General Liability Proposal: Mr. Brad Bush from Wichert Insurance presented the December 25, 2016 through December 25, 2017 proposal for the General Liability Insurance renewal. He is recommending Selective Insurance Company as the carrier. The proposal includes a slight reduction in the annual premium, from \$45,037 to \$44,557. Mr. Fox asked why the deductive was so low. Mr. Bush indicated that the amount of the deductible is typically established based on the type of entity being insured. Mr. Kretzmann asked if the District's inventory had been updated, and Mr. Bush responded that it had. Ms. Loomis stated that in addition she supplies the insurance agent with information about new inventory throughout the year. Mr. Fox asked for clarification on the 72-hour deductible, and Mr. Bush explained that this is primarily for the District's extra expense if it has to relocate due to an emergency. If that were to occur, the cost of the first 3 days (72 hours) would have to be paid by the District. Mr. Bush discussed some additional coverages that are available to the District, including Cyber Liability coverage. Mr. Bush indicated that this is coverage that is not in effect for the District, but that a lot of public entities are now adding to their policies. The

coverage provides insurance in the event of system hacking and facilities shut-down. Mr. Kretzmann asked how often a utility system had been shut-down as a result of hacking, and Mr. Bush indicated he did not have that information available. Mr. Fox suggested that the staff look into the security of the District's system with the District's IT consultant. Mr. Fox asked if the insurance had been competitively bid. Ms. Loomis stated that it had not this year, however two years ago the District bid it out and left EMC for Selective. The service provided by Wichert Insurance and Selective since the District made the change has been excellent. Selective also provided a quote for 2017 that is less than the prior year's premium. Mr. Fox stated that he prefers as many expenditures as possible be bid. Thereafter, Mr. Fox made a Motion, which was seconded by Mr. Kretzmann, to adopt Resolution No. 2016-058 to accept the General Liability Insurance Renewal presented by Wichert Insurance with Selective Insurance Company as the carrier at a cost of \$44,557.00 for the period December 25, 2016 through December 25, 2017. Upon roll call vote, all voted aye. Resolution No. 2016-058 was adopted.

b. Resolution to Remove Deferred Water and Sewer Assessment. Ms. Loomis presented Resolution No. 2016-059 to remove the deferred water and sanitary sewer assessments from parcel no. 25-068064-00.000 as a result of the property owners paying the assessments in full. Mr. Fox made a Motion to approve the resolution, and Mr. Kretzmann seconded. Upon roll call vote, all voted aye. Resolution No. 2016-059 was approved.

c. Resolution to Certify Delinquent Accounts to the Licking County Auditor: Ms. Loomis presented Resolution No. 2016-060 to certify delinquent accounts to the Licking County Auditor for collection. Mr. Carlisle made a Motion to approve the resolution, and Mr. Kretzmann seconded. Mr. Fox asked why there were so many accounts to certify for collection, stating that Pataskala never does this. Ms. Loomis explained that the District is not allowed to charge past due bills incurred by previous customers to a new customer's bill when there is a change in residency. Ms. O'Keefe explained that there is case law in Ohio which prevents statutory districts from making buyers of new properties pay the previous owners' past due water and/or sanitary sewer charges. The only way to assure those past due charges are paid is to charge them to the property owner's real estate taxes. Mr. Carlisle stated that most people on the list are repeaters who simply choose to pay their utility charges with their taxes as opposed to monthly when the bills are due. Upon roll call vote, all voted aye. Resolution No. 2016-060 was approved.

d. Shut-Off List: Ms. Loomis distributed the shut-off list and explained the shut-off process for Mr. Fox. She stated that from the date the list is prepared to the date of the last notice just prior to shut-off, most customers have paid their bill and have been removed from the list. Mr. Fox asked that the office staff prepare an analysis of the cost of the process.

e. Board Treasurer's Position: Mr. Kretzmann announced that the board Treasurer's position is open given that Mr. Fox has replaced the previous treasurer, Mr. Meade, as the Pataskala appointment on the board. Mr. Kretzmann opened nominations for Treasurer and then

nominated Mr. Fox as Treasurer to fill Mr. Meade's unexpired term of office. Mr. Fox declined the nomination, and then nominated Mr. Kretzmann as Treasurer. Mr. Kretzmann nominated Mr. Carlisle as Treasurer to fill Mr. Meade's unexpired term, and Mr. Carlisle declined the nomination. The nomination still standing was for Mr. Kretzmann to serve as Treasurer. Mr. Carlisle then made a Motion, which was seconded by Mr. Fox, to appoint Mr. Kretzmann as Treasurer to fill Mr. Meade's unexpired term through the 2017 organizational meeting, which is Resolution No. 2016-061. Upon roll call vote, Mr. Fox and Mr. Carlisle voted aye, and Mr. Kretzmann abstained.

f. Email for Board Members: Ms. Loomis stated that Mr. Fox asked about obtaining a District specific email address for board members. Ms. Loomis reported that purchasing a license to buy District specific email addresses for board members would represent a change in policy, since only staff members currently have District specific email addresses. Ms. O'Keefe stated that it is important for board emails to be tracked and accessed because they are public records unless they are otherwise privileged. Mr. Carlisle stated that he uses the township email address for District business because he knows those communications are open to the public. The board agreed that any cost relative to the board members having a District specific email address should be authorized by the general manager, Mr. Conkel. Mr. Fox made a Motion, which was seconded by Mr. Carlisle, to initiate a policy that board members use a District specific email address for all District related email communications, to be effective as soon as the email addresses can be established. Upon motion vote, all board members voted aye.

9. ATTORNEY'S REPORT

None.

10. EXECUTIVE SESSION

Mr. Kretzmann made a Motion, which was seconded by Mr. Fox, to go into Executive Session for the purpose of discussing imminent litigation. Upon roll call vote, all voted aye. The board went into Executive Session at 2:06 pm.

Mr. Carlisle made a Motion, which was seconded by Mr. Fox, to come out of Executive Session. Upon roll call vote, all voted aye. The board came out of Executive Session at 2:18 pm.

11. ADDITIONAL PUBLIC COMMENTS

None.

12. TRUSTEE COMMENTS

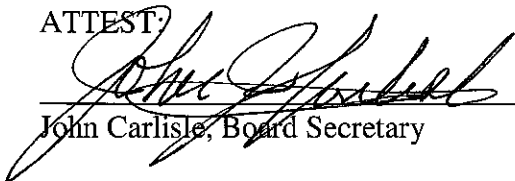
a. Mr. Fox: Mr. Fox stated that he already had answers to his questions regarding the York Road expansion and the contract with Pataskala. He asked Ms. O'Keefe whether there was any pending litigation, and she stated there was not. Mr. Fox reiterated his comment that he believes as many expenditures by the District as possible should be bid.

b. Mr. Carlisle: Mr. Carlisle welcomed Mr. Fox to the board.

13. ADJOURNMENT

Mr. Carlisle made a Motion, which was seconded by Mr. Fox to adjourn. The meeting was adjourned at 2:20 pm.

ATTEST:



John Carlisle, Board Secretary