

**MINUTES
BOARD OF TRUSTEES MEETING
LORAIN COUNTY RURAL WASTEWATER DISTRICT
JANUARY 10, 2013**

Call to Order:

The regular meeting of the Board of Trustees of the Lorain County Rural Wastewater District was held at the LORCO offices, 22898 West Road, Wellington, Ohio. President McConnell called the meeting to order at 7:00 p.m. with the pledge of allegiance.

Trustees in Attendance:

Executive Director Berner called the roll with the following trustees shown in attendance:

James McConnell	Neil Lynch	Gerald Cowie
Cindy Kurpely	Bob Walrod	Rita Canfield
Rick Hutman	Tom Steigerwald	John Piwinski
Jim Woodrum	Mary Beth Derikito	Thomas Lahetta (Arrived 7:10)

Absent: Howard Born, James Wright, Bob Meilander, Louise Grose

Also in Attendance:

Dennis O'Toole, Attorney
Becky Haines, Special Projects Administrator ALMU
Robert Berner, Executive Director

Election of Officers:

In accordance with Article IV, Section 1 of the LORCO Bylaws, election of officers is to take place at the first meeting of the year. Dennis O'Toole, Attorney to the Board then opened the floor for nominations for President.

Election of Officers was conducted, according to the procedures of the by-laws, with the following results:

James McConnell, President
Neil Lynch, Vice President
Thomas Lahetta, Secretary-Treasurer

Approval of Minutes:

President McConnell announced that the minutes of the regular meeting held on December 13, 2012 had been mailed to all the trustees and called for any additions or corrections. It was moved by Tom Steigerwald, with a second by Mary Beth Derikito to approve the minutes as written. All voted yea. Motion carried.

Old Business:

None

New Business:

President McConnell called for suggestions to set dates and times for the regular monthly meetings in 2013. The board was in agreement not to change the current time and dates. It was moved by John Piwinski; with a second by Mary Beth Derikito designate the second Thursday of the month at 7:00 p.m. as the date and time for the regular monthly meetings. All voted yea. Motion carried.

President McConnell raised the issue of pursuing a possible incentive program for existing homes within the Phase I Project which are over 200' and have not made a commitment to connect to the system. There was discussion pro and con for the incentive. It was decided the Executive Director would write-up a couple of proposals for temporary incentives for the board to review at the next regular meeting in February. The board would then review the proposals and decide if an incentive program would be offered.

Attorney O'Toole informed the board of two policy changes his office is recommending for the board. One deals with personnel and the other with providing advance notice of meetings. He recommended the Policy Committee address these policies. He further commented on the pending legal suite with DiGioia and indicated there was nothing new to report.

Cindy Korpely reported on the Sub-Committee formed to address restoration issues. She submitted the following report:

RE: subcommittee Report on Punch List Items

1. Cindy Korpely, Carl Denk, and Del Roig have been in contact over the last month via phone and email. I have been unable to bring Bob up to speed as he was not at the last meeting and I did not have a current email address for him. He will be included in on all Subcommittee communications once I update his contact information at the Board meeting if he is in attendance.

Several great ideas passed back and forth between Subcommittee members on how to proceed. It was decided that Del Roig should contact all punch list complaints to make initial contact with each as he has represented Eaton Township and is therefore known to a majority of people on the list. Del made contact with everyone on the list possible and summarized the current status of each complaint [see attached report].

2. I asked Del to choose the worst cases from this list. I then made contact with seven people from this list. Three of these either answered the phone or returned my call and they related the status of their claims again to me. Due to weather, it was not possible to get out and get photos of these issues.
 - a. Dan Hirth, 10740 Hawke Road: Dan claims that the roadside ditch that runs in front of his home and his neighbor's home was an open ditch prior to the sewer construction. It is his understanding that his neighbor made a deal with the LORCO subcontractor to fin in this ditch. He believes that there were no permits obtained to do this work. He also alleges that pipe from the LORCO project was

used instead of the perforated pipe that is necessary for proper drainage. He also claims that this tile is not connected to the downstream tile. This has caused flooding in his front yard that never occurred before. This flooding has caused erosion on the edge of road so bad that he has problems mowing his frontage with the road. He sent me photos of this condition. The erosion is such that there is no longer any berm next to the road. The side of the asphalt roadbed can actually be seen. He now has problems with constant standing water in his front yard that was also never an issue prior to the Phase I Project.

- b. John Hill, 9740 Root Road: I spoke with John's daughter who explained the issues to me. The subcontractor took out 2-3 truckloads of dirt from his property during construction that was never returned. What was used to fill in was an inferior quality to what was taken. There were two concrete driveway markers that were removed during construction that were never replaced. After construction, the Hall's realized that their downspouts were not draining. They contacted either LORCO or the County and someone was sent out to review the situation. They were told that all much of the tile in the front of the property had been crushed during the project by heavy equipment. They have purchased new tiling for \$800 that must be put in. Complaints were made to ALMU/LORCO, but nothing was ever done.
 - c. Joe Calucchia, 10610 Island Road: Joe's concrete driveway apron was re-poured. At the time of the pouring, the subcontractor started to pour the concrete, but ran out and could not pour the last two feet. More concrete was on the way, but got held up at a railroad crossing. By the time the truck finally arrived, the concrete that had been poured was already set up. The concrete then had to be patched in. As a result, while this "fix" is of sound integrity and has not failed, in the homeowner's mind it is an aesthetic issue. He was promised that his property would be restored to the same or better condition. This has not been done.
 - d. I will continue to try and contact the remaining for people from the seven detailing in a future report. The balance of the punch list items will be addressed in order of severity. We will continue to address them until they drop off the punchlist or a satisfactory explanation is obtained. The majority of the items are restoration issues that should start dropping off as soon as the weather breaks.
3. On January 3rd, I met with both Becky Haines and John Kniepper from ALMU to go over the punch list items. Becky and John had either valid explanations or plans for follow-up on the majority of items on the punch list. They are in agreement that the three items previously reported deserve a second look and said that they would follow up on these in short order.
 4. The purpose of this Subcommittee is as a fact-finding mission to investigate these items remaining on the punchlist and to bring the results of that investigation back to the Board and report. So far, the Subcommittee has found the previously reported 3 major concerns. These have been brought to the attention of Becky of ALMU. Our purpose having been met in the case of these three issues, we are therefore

turning them over to Rob Berner for follow-up and any further necessary action from the LORCO's standpoint.

RESOLUTION NO. 2013-01 for payment of payroll and bills was moved by John Piwinski, with a second by Mary Beth Derikito, The motion was unanimously approved.

Executive Director Berner reported on the progress of the feasibility study for Pheasant Run and indicated the draft was just received that evening and he had not had time to fully review the report. He commented on the state audit and the measures he would be implementing to address the management letter and policy changes. He then presented the December Phase I numbers:

The December report from ALMU:

880 homes are connected

1,050 customers were billed in November for \$52,032.48

Meter reading at pump station from Dec 5 – Jan 5 shows 4,577,100 gallons sent to plant for treatment.

Gallons of RLCWA 3,116,362

The treatment cost for December was \$9,723.05 per the contracted rate. Wholesale rate \$2,586.58 Booked Amount \$7,136.47.

The December O & M expenses were: \$49,548.97

\$3,334.11 wages and benefits

\$1,238.69 office, billing expenses and utilities

\$2,355.65 Utilities

\$35,780.32 Operation and Maintenance

\$3,668.00 Unemployment Taxes

\$300.00 RLCWA Meter Readings

\$2,872.20 Professional Services

LORCO received \$15,000 per Cooperative Agreement

Balance in Custodial Account: \$1,142,536.93

Booked Billable Hours for December: \$4,251.75

Executive Director Berner concluded by informing the board he was working on new projections for the financial forecasts for the Phase I project and would like to have a meeting with the finance committee within the next 2 months to address expense issues.

Special Projects Administrator for Avon Lake Municipal Utilities, Becky Haines reported she was primarily working with the state auditors on the Avon Lake/ALMU audit. She also reported the installation of 4 more grinder units.

Other Business:

President McConnell called for any other business to come before the Board and asked the audience if they had any questions or remarks. No board members had any comments. Public comments were heard from:

Carl Denk – Asked how the current grinder price compared to the price paid by the contractors in Phase I.. He questioned a comment made at last month’s meeting about contractors and he concluded by asking a question concerning the construction photo log.

Steve Dean – commented concerning his front yard repair and also added he did not believe homes over 200’ should get any better deal and should have to pay what everyone else does.

Linda Morrison – Informed board Mr. Fortuna passed away. Also commented that she disagreed with any incentive for those over 200’ and indicated she thought the board should have requested a post audit conference.

Del Roig – Asked a question concerning the lateral maintenance. He also thought the Finance Committee should consider an assessment to all LORCO communities. He concluded by asking about providing sewers to Flint Ridge.

Steve Dean – asked about the deduct meter and if summer usage could be averaged based on winter usage.

Adjourn:

With no further business to come before the Board, a motion was made by Tom Steigerwald, with a second by Mary Beth Derikito to adjourn at 8:07 p.m. All voted yea. Motion carried.

The board will meet again in regular session at 7:00 p.m. on Thursday, February 14, 2013 at the LORCO offices located at 22898 West Road, Wellington, Ohio 44090.

President

Secretary-Treasurer