

**MINUTES
BOARD OF TRUSTEES MEETING
LORAIN COUNTY RURAL WASTEWATER DISTRICT
June 8, 2006**

Call to Order –

The regular meeting of the Board of Trustees of the Lorain County Rural Wastewater District was held at the Eaton Township Town Hall. President McConnell called the meeting to order at 8:05 p.m. with the pledge of allegiance.

Attorney O’Toole administered the Oath of Office to Douglas Edwards (Eaton Township).

Trustees in Attendance –

Douglas Edwards	Dominic Ferritto	Ernest Hartman
Barbara Harper	John Piwinski	James McConnell
Gerald Cowie	Don Wittmer	Thomas Lahetta
Dorothy Collins	Dwaine Clinker	Neil Lynch

Also in Attendance –

Fred Alspach, Executive Director
Dennis O’Toole, Legal Counsel
Becky Haines, Administrative Assistant

Absent – Rick Hutman, Scott Grills, Ed Born, and James Wright

Approval of the Minutes –

President McConnell noted that the minutes of the regular meeting held on May 11th, 2006 were mailed to all board members and called for any corrections or additions. It was moved by Ernest Hartman with a second by Don Wittmer to approve the minutes as written. All voted yea. Motion carried.

Old Business – None

New Business –

President McConnell reported on the Executive – Finance Audit joint committee meeting that was held on May 24, 2006. Mr. Paul Stubbins, Financial Advisor to LORCO, was on hand to give an update on the progress of securing a lender and our progress with the guarantee loan application commitment from USDA Rural Development. CPA Rich Radachi, upon the request of USDA Rural Development prepared and presented a Temporary 2007 Budget, Appropriated 2006 Budget, and the completed 2005 Financial Statement.

Resolution 2006-11 was moved by Thomas Lahetta with a second by Ernest Hartman WHEREAS, the following have been submitted:

Payroll 4/22/2006 - 5/06/2006	\$	1,389.96
Payroll 5/07/2006 - 5/20/2006	\$	1,389.96
LMRE – NISC monthly fee & Norton Virus Protection	\$	124.82
Verizon Telephone – April	\$	49.72

Verizon Telephone – March	\$	49.63
Bureau of Workman’s Compensation – second installment	\$	636.85
Bobel’s – binders for bankers	\$	61.02
GRW Engineers – May, Phase I	\$	95,000.18
GRW Engineers – April, Phase I	\$	105,000.32
OPERS – April contribution	\$	785.78
First Merit – April federal taxes	\$	603.86
First Merit – May federal taxes	\$	603.86
LORCO – replenish petty cash	\$	149.90
LMRE – June rent	\$	250.00
LMRE – Administrative Contract for June	\$	4,257.36
Baumgartner & O’Toole – legal services for April	\$	1,498.50
Baumgartner & O’Toole – legal services for May	\$	1,813.00
Radachi & Company – accounting services for April	\$	1,044.00

NOW, THEREFORE BE IT RESOLVED,

- 1) That in anticipation of receiving permanent construction funding with a financing guarantee from the USDA/ Rural Development, the LORCO Rural Wastewater District may be required to expend or incur cost for planning and/or fees for the purpose of making capital improvements to their wastewater collection facility, which costs expended or incurred will be considered a part of the total USDA/Rural Development construction loan and the LORCO Rural Wastewater District may claim such costs as reimbursable expenses through the loan.

- 2) 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 the 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.

Vote resulted as follows: 12 yea 0 nay. Motion carried

Resolution 2006-12 Be it resolved by the Board of Trustees of the LORCO Rural Wastewater District that it was moved by Dominic Ferritto and second by Ernest Hartman:

WHEREAS, Ernie Walker, who represents Eaton Township has served the LORCO Rural Wastewater District faithfully, and;

WHEREAS, Ernie Walker has hereby fulfilled his term;

NOW THEREFORE BE IT RESOLVED and the following hereby recognized.

**“RESOLUTION OF APPRECIATION”
TO
Ernie Walker**

On behalf of the Lorain County Rural Wastewater District, I wish to extend our sincerest gratitude in the effort that you have put forth in support of the LORCO concept.

It is with this kind of support that projects, like LORCO, have and will become valued utilities that raise the level of comfort and health to a higher plain for rural Lorain County residents.

It is also with great appreciation that because of your dedication and effort and others like yourself, LORCO will be recorded in history as one of the most important enhancements to the rural way of life in Lorain County.

Good luck in your future endeavors.

Sincerely,

James R. McConnell, President

All voted yea: Motion carried.

President McConnell explained that LORCO Resolution 2005-22, Section 3, contained a fixed percentage for employees' statutorily Ohio Public Employees Retirement System (OPERS) contribution. The proposed Resolution 2006-13 will comply with OPERS increasing percentage.

Resolution 2006-13 Be it resolved by the Board of Trustees for Lorain County Rural Wastewater District to pick up the statutorily required contribution to the Ohio Public Employees Retirement System for the Employees of Lorain County Rural Wastewater District pursuant to I.R.C. section 414 (H) (2) was moved by Ernest Hartman with a second by Gerald Cowie;

WHEREAS, pursuant to federal and Ohio laws, the employees of Lorain County Rural Wastewater District could defer the federal and state income taxes on a portion of their wages or salaries if Lorain County Rural Wastewater District would "pick up" (assume and Pay) the statutorily required contribution by such elected officials and covered employees to the Ohio Public Employee Retirement System; and

WHEREAS, Lorain County Rural Wastewater District will not incur any additional costs in the deferment of federal and state income taxes.

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF DIRECTORS OF LORAIN COUNTY RURAL WASTEWATER DISTRICT THAT:

Section 1: Effective June 6th, 2005 the full amount of the statutorily required contributions to the Public Employees Retirement System of Ohio shall be picked up and paid as fringe benefit by Lorain County Rural Wastewater District. This "pick up" by Lorain County Rural Wastewater District is, and shall be designated as, public employee contributions and shall be in lieu of contribution to the Ohio Public Employees Retirement System by each person within any of the classes established in Section 2 herein. No person subject to this "pick up" shall have the option of choosing to receive the statutorily required contribution to the Ohio Public Employees Retirement System

directly instead of having it “picked up” by Lorain County Rural Wastewater District or of being excluded from the “pick up”.

Lorain County Rural Wastewater District shall, in reporting and making remittance to the Ohio Public Employees Retirement System report that the public employees contribution for each person subject to this “pick up” has been made as provided by the statute.

Section 2: The “pick up” by Lorain County Rural Wastewater District provided by this resolution shall apply to all persons that:

Are the Administrative Assistant to Lorain County Rural Wastewater District who are or become contributing members of the Ohio Public Employees Retirement System.

Section 3: Under the Fringe Benefit method of Employer pick up, salary is not modified, however, the employer will pay 100% of the employees statutorily required contribution to OPERS.

Section 4: The Treasurer and/or Clerk are hereby authorized and directed to implement the provisions of this Resolution to institute the “pick up”, of the statutorily required contributions to the Ohio Public Employees Retirement System for those persons reflected in Section 2 herein so as to enable them to obtain the result in federal and state tax deferments and other benefits.

Section 5: 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 the 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 Sections 121.22 of the Revised Code of Ohio.

The vote resulted as follows: 12 Yea 0 Nay. Motion carried

Executive Director Alspach presented the administrative report detailing a review of the weekly staff report, and news articles. In addition, LORCO has entered into an agreement with Bramhall Engineers for inspection services. A field inspector will be on site for the Barrington Park subdivision in Eaton Township which is scheduled to begin construction in mid-June. Also the agreement with Seasongood & Mayer, LLC has been signed.

Administrative Assistant Haines stated that the Cash Flow Deferral Statement was included in the board packages and asked if anyone had any questions or concerns. In addition, Administrative Assistant Haines stated that preparations are underway for the LORCO exhibit at the Lorain County Fair and asked that those members who will be interested in working in the booth sign up at the July meeting so that schedules and arrangements can be ready at the August board meeting.

Other Business-

Before opening the floor for questions or comments from the audience, President McConnell gave an overview of the design status, financing efforts, and landowner’s responsibility. The audience participation produced many questions and concerns that

were addressed by President McConnell and Executive Director Alspach and lasted for approximately an hour. They were invited to call the LORCO office at any time with any further questions or concerns.

Adjourn –

With no further business to come before the board, it was moved by Dominic Ferritto with a second by Don Wittmer to adjourn at this time 9:30 PM and meet again in regular session at 8:00 PM on Thursday, July 13th, 2006 at the LORCO office located at 22868 West Road, Wellington. All voted yea. Motion carried.

President

Secretary Treasurer