

DAYTON LEGAL BLANK, INC., FORM NO. 10148

December 21st,

2010

Held

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The Etna Township Board of Trustees met on Tuesday, December 21st, 2010 in the Etna Township Community Center/Administration Building for the purpose of conducting a regular meeting. The meeting was called to order at 7:00 p.m. by President Carlisle. Jeff Johnson led the invocation and Michelle Weber led The Pledge of Allegiance. Roll call showed Trustees Jeff Johnson, Randy Foor, John Carlisle and Fiscal Officer Walter Rogers present.

Trustee Johnson moved to adopt the agenda. The motion was seconded by Trustee Foor. Trustee Johnson moved to remove item b cemetery plotting under old business from the agenda. The motion was seconded by Trustee Foor and passed by unanimous affirmative vote. The roll call on the motion to adopt the agenda as amended passed by unanimous affirmative vote.

Trustee Johnson moved to approve the December 7th, 2010 regular meeting minutes. The motion was seconded by Trustee Foor and passed by unanimous affirmative vote.

Trustee Carlisle moved to approve the December 14th, 2010 special meeting minutes as corrected. The motion was seconded by Trustee Foor and passed by unanimous affirmative vote.

Old Business

David Goll reported that Workenomics will not be charging membership fees for 2011.

Don Rector the General Manager for Southwest Licking Water and Sewer District presented information on the 2011 rates. The project to upgrade and rehabilitate the pumping station at Refugee and York Roads has been completed utilizing grant money and a zero percent loan. In 2011 grant money and another zero percent loan will pay for completing the sewer along Refugee and Columbia Roads. Don Rector stated the JRS Site is in progress and reported on the Columbus Park Expressway Sewer Force Main for the winter of 2011.

Don Rector reported that in 2010 they received 50 tap fees for new builds which is significantly more than 2009. The tap fees are a necessary revenue generator for the district. Don Rector reviewed how the customer payment is distributed. The district supported debt payments are 53% of the revenue, assessment supported debt payments 21% (which are the projects in the past that have been assessed to the property owner), chemicals and other operating supplies are 5%, salaries and benefits are 12%, professional services are 2%, utilities and telephone are 4% and repairs and maintenance are 3%. The district has been focusing on the repairs and maintenance to prolong the life of the wastewater system. After holding quarterly audit meetings to discuss the revenues and expenditures the board adopted the new rate structure. Don Rector discussed the new minimum water usage being decreased from 3000 gallon to 2000 gallons for 2011. The households that are only using 2000 gallons or less will not see a rate increase. Don Rector stated these rates are lower than the City of Reynoldsburg. David Goll discussed some of the district's expenses. There are 15 – 20% of the users that will fall in the 2000 gallons or less.

Art Grandle stated that 80 to 85% of the customers will see a rate increase. Don Rector stated the revenue will be distributed as discussed above. The debt reduction fee all goes to 53% district supported debt payments. Don Rector explained why the debt reduction fee was lowered in the past and now that the tap fees have decreased the debt elimination fee is not enough to pay the debt. The projected budget has ten million dollars and the district only receives nine million dollars. The operating budget has been decreasing the past few years. Art Grandle stated the US EPA website shows that the average person uses 100 gallons per day.

Mike Kerner of 8623 Watkins Road asked if the projects were to satisfy current needs or is this for speculation. Don Rector stated the pump station at Refugee and York Road was to satisfy current needs. The District is assuming no debt for the sixteen inch water lines.

Fiscal Officer Rogers stated on the Ohio EPA website it says 85 gallons per day which is twenty-two hundred and fifty (2250) gallons per month for a two person household. Also on the Ohio EPA website which reported over five (500) hundred cities and other reporting districts reporting their figures for 2009 the sewer rates were only topped by eight of those. The water rate is at about 110% of the Ohio average. The water and sewer rates when put together are at 191% of any of the surrounding water and sewer districts and at 183% of the Ohio average before the increase. With the increase the District will impact 80 to 85% of the customers with an additional fifteen dollars and five cents (\$15.05) a month. This is 25.4% and will be at 240% of the surrounding services and 230% of the Ohio average.

Walter Rogers did review the 2008 and 2009 financial reports that show a decrease in tap fees but not down enough to warrant the increase for 80 to 85% of the customers. With just the Debt Fee, Tap Fee, and Interest Income the district is generating 35% of the debt reduction already. Walter Rogers asked how much it cost the district to install the line to Flying J and what is the recoupment of those expenditures. David Goll stated the Flying J is their largest customer and Don Rector stated they have

RECORD OF PROCEEDINGS

0441

Minutes of

Etna Township Trustees Regular Meeting

Meeting

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already recouped the cost. Don Rector explained that they received stimulus money for the project and received 50% through a grant and the remaining was paid for by Flying J. The district is 501(C) (1) does not pay taxes.

Don Rector stated the bottom line when you look at the revenue versus operating expenses and debt services they have to pay they cannot go default on the OWDA Loans. If they do not raise the rates they will go default and then OWDA will give them a court order and they will come in and raise the rates it.

Don Rector stated that the billing is done at 2000 gallon minimum and then only per 100 gallon after that.

Trustee Carlisle does not agree with the new minimum being changed from three thousand (3000) gallon to two thousand (2000) gallons and the customer should be charged the same. This is a rate increase for 80 to 85% of the customers. Don Rector stated the customers with a family of four will be penalized and the customers who only use 2000 thousand gallons are paying for 3000 thousand gallons. It is a goal and mission of the board and district to remove the debt elimination fee. Trustee Carlisle said it should have been a fair increase across the board.

Don Rector will convey the findings from this meeting to the water and sewer board.

Neil Ingle stated he sat through all the meetings regarding this rate increase and ninety-nine percent of the community did not attend the meetings. He discussed the City of Pataskala's rate increase. Trustee Foor stated as a Trustee he has to represent the best interest of the entire township and not just the residents that attend the meetings. Trustee Carlisle stated that the last Trustee meeting was the first time the Trustees were made aware of the increase from their representative David Goll.

Arthur Grandle recommended the water and sewer district put information in their bills for customer comments because he does not have the time to attend all of their meetings. He also suggested they survey the township. He feels this is a permanent increase where if they increased the debt reduction fee it could have been a temporary increase.

Trustee Foor asked how much additional debt was acquired in 2010. Don Rector stated the district occurred about six hundred fifty thousand dollars in zero percent loans that are amortized over twenty years. There were no wage increases for employees in 2010. Some staff received raises in 2009. There are wage increases in the budget for 2011. The staff has been reduced by four employees and they will lose one more in 2011 that will not be replaced. Trustee Foor inquired about the trunk line that would be installed to service State Route 161. Don Rector stated they will not service this area unless it is going to make positive financial sense for the district. Trustee Foor asked what the township can see in the future for reduced bills. David Goll stated it will depend on the economy. Don Rector stated they want to lower the debt reduction fee and this should be their main goal.

Mark Schaff of 7461 National Road discussed the process that was used to raise the rates. Unlike the Public Utilities Commission of Ohio (PUCO) who usually discuss rate increases before the final decision is made this rate increase has already been implemented before this discussion.

Trustee Carlisle asked them to take this information back to the board and he feels this rate increase is excessive.

The Trustees and Fiscal Officer wished everyone a Merry Christmas and Happy New Year.

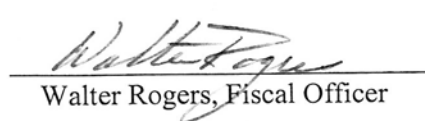
Trustee Foor moved to pay the bills. The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.

Trustee Johnson moved to go into Executive Session at 8:10 p.m. per O.R.C. 121.22 (G) (1) to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official, or the investigation of charges or complaints against a public employee, official, licensee, or regulated individual. The motion was seconded by Trustee Carlisle and passed by unanimous affirmative vote. For the record Randy Snider, Mike Kerner, Michelle Weber, Charles Hagy, and Mark Schaff were brought into executive session to interview for the Zoning Commission and/or Board of Zoning Appeals.

Trustee Foor moved to come out of executive session at 10:33 p.m. The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.

Trustee Johnson moved to adjourn at 10:34 p.m. The motion was seconded by Trustee Foor and passed by unanimous affirmative vote.


John Carlisle, President


Walter Rogers, Fiscal Officer