

Village of Thurston
Council Meeting Minutes
September 21, 2011
***** SPECIAL MEETING *****

Meeting called to order at 6:35 pm by Mary Boring.

Roll call: Robert Ortman – present
JoAnn Hite – present
Rita Leiendecker - present
Jimmy Barber, Jr. – absent
Garry Boring – present
Lowell Hite – present
Mary Boring – present
Aaron Reedy – present

This special meeting was held in order to discuss water contract between the Village of Baltimore and the Village of Thurston. Baltimore Council (Judy Landis, Robert Hankison, Jim Hochradel, Tony House, and Dwayne Mohler), Mayor (Robert Kalish), Fiscal Officer (Flo Welker), Village Administrator (Marsha Hall) and Solicitor (Jeff Feyko) were present. Farm Bureau members Eric Valentine, Sarah Martin and Roger Wolfe were present. Chad Emsley and Jim Ferbrache were also present.

Baltimore opened their meeting. All present introduced themselves.

Eric Valentine (meeting facilitator) spoke and asked all sides to stay open minded; taking each other's suggestions openly. Eric presented questions to both councils. He said both sides had been previously asked about ownership/control of lines and this has been a hang-up. Eric asked if Thurston would be willing to give up a portion of the line for a lower rate. Lowell said Baltimore previously told us the lines weren't up-to-snuff. Marsha said the area in question is in Baltimore's 208 planning area. Some businesses and residents in the area want to develop and need more pressure.

Marsha explained that the \$10 per-account debt service fee is for plant improvement costs that have not been included in the user rate. She said they have to put in new wells due to requirements of Ohio EPA. The \$10 debt service fee is to be used specifically for those improvements.

Mary said she understands about the \$10 fee, but Thurston has been paying 25% more user rate for more than 30 years for water. Marsha said that was set back in the 1970's. If planning were done correctly, rates for all the residents probably would have been higher.

Aaron explained that Baltimore has costs factored into their user rate like line maintenance, payroll, and other services that Baltimore doesn't provide to Thurston, so Thurston should get a discounted rate.

Eric said Baltimore talked about the 208 planning area – would Mary like to share her concerns? Mary said previous discussions were always leaning towards a JEDD. Thurston just wanted to talk water.

Eric turned the meeting over to councils for open discussion. Mary read the proposal Baltimore gave Thurston in April of 2011 and Thurston's response. Thurston felt the ball was in Baltimore's court – they didn't respond. Marsha said Baltimore Council didn't feel Thurston was open to negotiations.

Judy Landis shared her concern that Thurston couldn't replace their line on Rt 256 now if there was a problem. Lowell said we've been doing it for years, and we'd continue to do it, if necessary. Comments were made that it seemed like Thurston wasn't concerned for their residents because the issue had to do with a line that was outside their corporation limit. Garry said we're looking out for our customers.

At 7:30pm, it was decided that the two Village councils should break up into different rooms for further discussion. At 8:00, Eric Valentine presented a question from the Baltimore Council; "If Baltimore were to take control of the water line in their 208 area, what does Thurston want in return?" Council discussed.

At 8:18pm, both Councils came back into the same room.

Mary said if Baltimore were to take over the water line in their 208 area, Thurston would tentatively accept a rate of 10% below Baltimore village user rates, plus would only pay one \$10 debt service fee as Village is one user.

Marsha Hall said that's probably doable. She said Baltimore was discussing offering a user rate of 80% of Baltimore resident user rate, but with debt-service fee based on each user. That debt service fee would be based on a percentage of Thurston's usage of the water generated for both villages. Also, Baltimore would move the master meter at their cost. The contract would allow for a monthly maximum of 2,000,000 gallons.

For example:

If Baltimore generates 9,750,000 gallons per month, and Thurston uses 1,260,000 gallons in that month, which is a usage of 12.9%. $\$10 \text{ service fee} \times 12.9\% = \$1.30/\text{per month/customer}$. Thurston would pay \$1.30 per month/per customer. The previous 12 months would be calculated and then charged for a 12-month period. The percentage would be reviewed once per year.

If another debt service fee is generated by Baltimore, it would only be charged to Thurston if it had a direct connection with Thurston (providing a new line to Thurston, or plant operations).

Tentatively, Thurston agrees this would be acceptable. Other items would have to be worked out, such as terms of agreement.

Eric wanted to discuss the issue of the \$90,000 OWDA loan that Thurston had taken out for design of the Millersport-Thurston water mainline project. Marsha said they tentatively agree to pay half of it, as a cost of buying the water main line. The payment options will be worked out between the Villages. Ownership of the engineering plans will belong to Thurston.

Baltimore agreed to have their solicitor come up with a draft agreement.

JoAnn made a motion to adjourn at 9:01 pm. Rita seconded. Roll call vote: all YES. Motion carried.

Respectfully prepared by,

Aaron Reedy