

RECORD OF PROCEEDINGS
Minutes of Committee of the Whole Meeting
Held December 6, 2010 7:00PM

The meeting was called to order by President of Council Larry Oberdorf. and was opened with the Pledge of Allegiance.

ROLL CALL: Richards, Oberdorf, Eckel, Marquette, Hermes, Scott, and Duricek all present.

Mr. Oberdorf outlined that the purpose of the meeting was to discuss the proposed assignment and assumption agreement between the City of Rossford and the Northwestern Water and Sewer District and receive any public comments. He said that the city administrator, Mr. Cook representing the NWSA, and attorneys for the district and city were present to give information and answer questions.

Mr. Ciecka as a historical perspective explained that the district was formed in 1992 and that Rossford was actually an original member but withdrew due to objections to the original plan filed by the district. He said that in 2008 upon the termination of the city's water contract with Toledo and subsequent increase to 125% over the base rate instituted by the previous Toledo mayor that the city began discussing seeking alternative sources of water. He did state the Toledo mayor Mike Bell has lowered the rate and that has instituted discussion regarding a regional water approach. Rossford's council held several public works meeting, a committee of the whole meeting, and several months of discussion before holding another Committee of the Whole meeting at which NWSA was present to answer questions. Subsequently council approved filing a petition to join the district subject to agreeing to an assignment and assumption agreement which will outline how we join the district and how we can exit. This agreement has been worked on for last couple of weeks by the attorney's for both sides. Mr. Heban stated that the agreement started at 6 pages and is now 33 pages and does address issues council had concerning exiting the district. Mr. Huffman, attorney for the district said the NWSA board has not yet seen this latest draft so it has not been formally approved, however there does not seem to be much reluctance to Rossford joining the district and changes made to the agreement this weekend do not appear to be a problem.

Council Remarks

Mrs. Eckel said she had several questions pertaining to specific items of the assignment. On page 3 she questioned the number of years to phase in and was told by Mr. Heban that is spelled out in the back of the agreement. She noted that in the assignment of the facilities the district will accept them as is and talked about the inventory and value of the lines in existence. Mr. Ciecka explained that additional work will be needed to map out the entire Rossford system and the district will use GIS to color code the system and map out what was Rossford local versus district at the time of transfer. This map would be completed if the agreement is approved. Mr. Cook said the map will serve as a baseline as we go forward so that any new lines added could be determined if Rossford chose to exit the district. Mrs. Eckel then referred to the language on page 9 regarding surcharges from Toledo or the district being immediately passed on to us. Mr. Cook said this refers to Toledo talking about raising rates over the next four years and those increases being added to the district charge immediately. Mrs. Eckel noted that routine maintenance was added to the last draft under right-of-way and questioned why. Mr. Ciecka said the district was concerned that without this language they would have to give two weeks notice to close a street to make a repair if in the city right-of-way. Mr. Heban said the city just wants to know if they are going to close a street down. Mrs. Eckel said in the transfer of records she would like to see the city keep copies of all original drawings and also asked why emergency response language was changed to after hours. Mr. Ciecka said both terms are part of the agreement. Mr. Cook said the district is currently in talks with Toledo on going to a master meter and that NWSA would take over all billing when that would happen. Mrs. Eckel questioned why it takes a super majority vote for voluntary removal from the district. Mr. Heban explained that the NWSA has no voluntary removal option in their other agreements and this was added only for Rossford and that it still would require a petition to the court for removal. Mrs. Eckel then asked about the wheeling fee as described on page 17. Mr. Ciecka explained that district transmission lines provide increased flow to Rossford lines and improvements have been made to these district lines but Rossford has never paid any part of this cost. The district is asking that if we were to leave the district that we help pay the cost of improvements that we benefited from. Mrs. Eckel then asked about the claims and litigation language

specifically as to how it relates to 795/Oregon Rd. project. Mr. Heban said the district will assume the debt now but if we separated in the future this would go to mandatory arbitration for settlement of the remaining debt.

Mr. Marquette asked for routine maintenance to be defined and Mr. Cook said that is items such as flushing hydrants, checking valves, and replacing corroded bolts. Mr. Marquette said his concern is the water/sewer rates. He asked if there would be any effect on the Crossroads that would cause that area to become less competitive. Mr. Ciecka said there would be no effect on the Crossroads and he sees it as a positive effect as joining the district would give us access to I & I credits we do not have now and that water/sewer rates in that area would be equal to the Perrysburg Township rate so the playing field would be level. Mr. Marquette asked who would do water taps and Mr. Cook said these would be requested from the NWSD. Mr. Marquette asked about any revenue sharing agreements and was told by Mr. Ciecka that the only agreements involve the JEDZ with Toledo.

Mr. Scott said the 795/Oregon Rd. issue has been a point of contention for him but this agreement appears to offer an equitable solution for now and that the arbitration clause is a good idea.

Mr. Richards wondered what happens to deposits made by residents to the city of Toledo. Mr. Cook said the district does not do deposits and he expects that after joining those deposits would be returned. Mr. Richards asked if the district offers a senior citizen reduced rate as Toledo does. Mr. Cook said they do not have one now but it has been discussed.

Audience Remarks

John Appt, 1009 E. Elm Tree Rd. said he could not match up the rate example provided by NWSD with his current bill. Mr. Cook explained that the district example did not include the Toledo base rate. Mr. Appt asked Mr. Cook if the district was for or against the Ottawa County plan. Mr. Cook said the district is for but does not think it is practical at this time due to the miles of lines that would have to be built.

William Verbosky Jr., 317 Eagle Point Rd., and Mayor of Rossford said that Mr. Ciecka has summarized very well the history of the water situation which has been of great concern. He feels that after looking at the options that Rossford could not afford to remain independent and that joining the district gives the city a structured improvement schedule and helps with long term water/sewer rates. He said rates will not go down but we will have a better voice and bargaining position with the district that we do now.

John Folcik, 215 Hannum, wondered about the three recent water breaks on Lime City Rd. Mr. Ciecka said this will be discussed with the district

Mr. Richards moved and Mr. Scott seconded the motion to adjourn. All ayes. Motion carried.