

October 18, 2011

**LAKE COUNTY COMMISSIONERS' MEETING MINUTES**

RAYMOND E. SINES, PRESIDENT  
DANIEL P. TROY, COMMISSIONER

ROBERT E. AUFULDISH, COMMISSIONER

LEGAL COUNSEL

MIKE MATAS, BUDGET  
DIRECTOR

AMY ELSZASZ, CLERK

NEWS MEDIA

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(Tape 2011-1018)

CALL TO ORDER: Commissioner Sines called the meeting to order at 2:05 pm, Tuesday, October 18, 2011.

ROLL CALL: Upon the roll being called all were present.

APPROVAL OF MINUTES: Upon a motion by Commissioner Troy, seconded by Commissioner Aufuldish, the minutes of the meeting of October 11, 2011, were approved as follows:

"AYES": Commissioners: Aufuldish, Sines and Troy      "NAYS": None

OPEN TO THE PUBLIC: Commissioner Sines asked if anyone in the audience wished to address the Board.

- Brief discussion took place between the Commissioners and Melissa Flick, Supervisor of the Children Services Department after she gave a brief presentation of a new initiative from the Ohio Department of Job and Family Services to manage and address child abuse and neglect. This pilot program is the result of a pilot project from July 2008 through January 2010.

- Lake County Job and Family Services would like to apply to participate in this pilot project at this time and will receive a \$20,000 incentive and are asking for the Commissioners verbal support. All 88 counties will be required to implement this approach by 2014 and this is the last offer to receive an implementation incentive.

- Matt Battiato, Job and Family Services Director and Teresa Palm, Administrator of Children and Adult Protective Services were also present.

- The Commissioners were supportive of Matt Battiato's judgement in dealing with this professional decision in terms of managing and addressing child abuse and neglect in Lake County.

- A reminder that the Lake County Job and Family Services Annual United Way Campaign Chili Cook-Off is on Thursday, October 20<sup>th</sup> starting at 11:30 am.

- Rick Martin, Director of the Lake County Department of Utilities gave a brief presentation regarding the Lake County Sewer Division Fund. The department is a 24 hour operation and currently serves over 40,000 customers in a population of 100,000. An overview of the service life of the department assets was provided. In 1999, the Commissioners began analyzing the department with the focus of maximizing its efficiency and quality of service with a reasonable and sustainable cost to the customer. In 2002 the department adopted a zero discharge challenge to treat wastewater to a level that was safe to discharge into Lake Erie and the department is proud to say that it still meets this goal. The department continues to address the aging infrastructure and facilities to minimize any interruption of service. Operational efficiency has been improved with funded research, exploration, and implementation of best available technology allowing the department to be a low cost provider. In order for the department to meet its goals it has been using a short term approach adopting a rate based on needs resulting in lower increases to the customer. Since 2002, the county rates have averaged an approximate 2.45% increase per year and during this time compared to the National Association of Clean Water Agencies the national index was 5.67%. If the county would have followed the national trend it would have been up 43% or instead of \$70 per quarter charge it would of been over \$100. A recent sewer and water rate survey by The Ohio County Sanitary Engineer's Association involving 18 counties resulted in Lake County being the second lowest rate. The department implemented business practices in 2002 targeting a reserve level of at least 90 days of the department expenses and a capital contingency of \$500,000 per year is on reserve in the event of unforeseen issues with the main goal to stay within the budget for that year. One item to note is that revenues have been really flat due to the economy.

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- Randy Rothlisberger, Director of Water gave a brief presentation regarding the Lake County Sewer Department Capital Improvement Program and Infrastructure. There are two large capital improvement projects going on in the City of Kirtland at \$7 million for future customers and a \$16 million project expansion and upgrade at the Madison Treatment Plant, which hasn't had a major upgrade since 1973.

Commissioner Troy: The \$9 million portion for the expansion of the Madison Wastewater Treatment Plant will be paid for by tap-in fees from future users. The \$7 million upgrade portion will be paid for by the system through normal operating revenues. This upgrade is to meet EPA standards and to ensure the continuation of zero discharge into Lake Erie.

- Randy Rothlisberger briefly explained that the county has an aging infrastructure and currently has spent approximately \$2.3 million per year over the last five years for rehab or replacement of sanitary sewers and manholes. Considering that the county has over 500 miles of pipe with a life span of 50 years, 10 miles of pipe needs to be replaced per year. Currently, the funding allows 2 miles per year to be replaced at \$2.5 million. The majority of the system was built in the 60's, 70's and 80's, however a big portion will be hitting that 50 year mark requiring increased maintenance costs over the next five to ten years. Recent rainfall of 1.5 to 2 inches of rain proved uneventful with no calls received with sewer back-ups from the Fairport Harbor, Bellflower, Madison Township and Mentor Headlands Projects. And, recent rains have revealed a few other projects in Grand River and Cedar Glen that will need to be addressed.

Mr. Martin: The rate increase that the department is recommending is driven by our capital requirements, our new debt service, the increase in expenditures for rehab and replacement in the systems, and revenue growth. I am recommending a 4.76% rate increase, which equates to \$1.12 per month for a residential household. The rate would go from \$70.56 to \$73.92 a quarter. We hope that this will provide about \$550,000 in revenue to be used for the Madison Wastewater Treatment Plant Expansion and Upgrade and the rehab projects that Mr. Rothlisberger mentioned in Fairport, Madison Township, and Cedar Glen. Ohio EPA's 2009 survey compares Lake County's quarterly rates to surrounding utilities with Lake County Department of Utilities being the lowest.

Commissioner Troy: We asked the Utilities Department to recommend every two years whether or not a rate increase is needed and not to exceed more than 5% over a two year period. In 2001, 2002 it came to light that there had not been an increase in water or sewer for approximately 15 years. It was at the point where we were going to have difficulty making a payment to the Ohio Water Development Authority on a bond. This year the department recommended that an increase in water was not needed, but are indicating that a sewer increase is necessary. Our rates are favorable compared to a lot of other sewer systems.

Mr. Martin: We are always exploring ways of being more efficient. Looking at our workforce plan we had 109 employees in 2001 and now have 89. We are always looking at new technology to save money, which has kept the expenses stable for the last five years. Expenses such as electricity and oil actually go up an approximate 3% per year.

Commissioner Sines: The department has also had some offsets on the cost of financing and the amount borrowed on the system is down to 20%, which is low allowing better rates. The Utilities Department employees have not had a pay increase for four years just like the rest of the employees of the county. Will this increase be totally used for the infrastructure that you have discussed?

Mr. Martin: Yes. Actually, the other rehab projects that Randy discussed are not even included. The answer is we will just barely get by.

Commissioner Aufuldish: Also, the cost of chemicals are going up.

Commissioner Troy: Mr. Martin, as Executive Director of the Department of Utilities you are saying in order to run this system properly and to continue to address some infrastructure problems a rate increase is in order. And, that you will need an increase of a \$1.12 per month to continue to be environmentally sound in this county. I think that the Lake County citizens should be proud of our zero discharge.

Mr. Martin: That is correct.

#### RESOLUTIONS:

1. RESOLUTION AWARDED A BID CONTRACT IN THE AMOUNT OF \$101,500.00 TO ARMS TRUCKING CO. FOR CINDERS AS REQUIRED BY THE LAKE COUNTY ENGINEER (20111018\E01) (E-3)

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**On a motion** of Commissioner Aufuldish, seconded by Commissioner Troy, the foregoing resolution was adopted with the vote as follows: “AYES”: Commissioners: Aufuldish, Sines and Troy  
“NAYS”: None

2. RESOLUTION AWARDING A BID CONTRACT IN THE AMOUNT OF \$527,120.00 TO MORTON SALT FOR UNTREATED BULK ROCK SALT AS REQUIRED BY THE LAKE COUNTY ENGINEER (20111018\E02) (E-3)

- Brief discussion that this price is down an approximate \$7 per lb. compared to last year.

**On a motion** of Commissioner Troy, seconded by Commissioner Aufuldish, the foregoing resolution was adopted with the vote as follows: “AYES”: Commissioners: Aufuldish, Sines and Troy  
“NAYS”: None

3. RESOLUTION ESTABLISHING A FUND TO BE KNOWN AS HEATHERSTONE SANITARY SEWER SYSTEM REHAB 327S WITH VARIOUS REVENUE AND APPROPRIATION LINES AND TRANSFERRING CASH (20111018\U01) (UT-2)

**On a motion** of Commissioner Aufuldish, seconded by Commissioner Troy, the foregoing resolution was adopted with the vote as follows: “AYES”: Commissioners: Aufuldish, Sines and Troy  
“NAYS”: None

4. RESOLUTION INCREASING APPROPRIATIONS FOR LCDU WATER DISTRICT REFUNDS AND REIMBURSEMENTS (20111018\U02) (UT-2)

**On a motion** of Commissioner Troy, seconded by Commissioner Aufuldish, the foregoing resolution was adopted with the vote as follows: “AYES”: Commissioners: Aufuldish, Sines and Troy  
“NAYS”: None

5. RESOLUTION APPROVING LAKE COUNTY DEPARTMENT OF JOB AND FAMILY SERVICES VOUCHERS DATE OF WARRANT OCTOBER 24, 2011, IN THE AMOUNT OF \$352,794.27 (20111018\JFS01) (JFS-14)

**On a motion** of Commissioner Aufuldish, seconded by Commissioner Troy, the foregoing resolution was adopted with the vote as follows: “AYES”: Commissioners: Aufuldish, Sines and Troy  
“NAYS”: None

6. RESOLUTION APPOINTING JOEL A. DIMARE JR. TO THE POSITION OF BUDGET/FINANCE DIRECTOR FOR THE LAKE COUNTY COMMISSIONERS' OFFICE, EFFECTIVE OCTOBER 24, 2011 (20111018\C01) (P-105)

Commissioner Sines: Joel is with us today. When you are building a football team you start with a line. Between Mike Matas and Joel we will be well protected. It is nice to welcome you Joel to the family and the team. We look forward to working with you. We are confident that you bring to this county talent as a former auditor, I think that we will be well served.

Commissioner Aufuldish: I think that this is a good time of the year to start Joel because we will soon start the budget process. There are a lot of ins and outs and I am sure that Mike can teach you to help us get the budget balanced. And, following in the footsteps of Mike you will do a very good job for us.

Commissioner Troy: Mike is not exactly leaving us! I know that Mike and Joel are going to work together. Joel will be on the front line number crunching and making sure that people stay within their budgets. And, I know that he has had the experience working with the State Auditors Office, which is the same place that Mike came from. I think we will have a seamless transition and that there will be a combined policy development between Joel and Mike's positions. I do not believe that there should be that much separation in county government budget management and financial management, yet the law spreads that between the Treasurer, Auditor, and Board of Commissioners. Unofficially, we will establish a type of collaboration and partnership here in Lake County. I would like to welcome you here Joel.

Joel Dimare: I am from Ashtabula, I start on Monday, I am excited and can't wait to meet you and talk to you. I really look forward to working with Mike and I am going to ask him a lot because I want to continue what Mike has been doing. Thank you for having me here.

**On a motion** of Commissioner Troy, seconded by Commissioner Aufuldish, the foregoing resolution was adopted with the vote as follows: “AYES”: Commissioners: Aufuldish, Sines and Troy  
“NAYS”: None

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7. RESOLUTION APPOINTING JEAN ARGO TO THE LAKETRAN BOARD OF TRUSTEES TO FILL AN UNEXPIRED TERM ENDING MAY 15, 2013 (20111018\C02) (B-37)

Commissioner Aufuldish: We have interviewed three folks for this position and at this time we are appointing Jean Argo.

Commissioner Troy: Jean is a member of labor and traditionally we have had a labor person on the Laketrans Board of Trustees, but haven't for awhile. She also works for the United Way.

Commissioner Sines: In my opinion this board is getting a little too many government influence folks and I would like to see more of a business approach in some areas. We interviewed some good folks who had business background and experience and think that is the direction we need to go getting more of a diversity on this board.

Commissioner Troy: There is a business presence on the Board with the Chairman who is Executive Director of the Mentor Chamber of Commerce. If you look at transit boards such as Cuyahoga County there are a lot of elected officials. There are three terms that come up every May and we will certainly look at as much well roundedness as possible.

**On a motion** of Commissioner Aufuldish, seconded by Commissioner Troy, the foregoing resolution was adopted with the vote as follows: "AYES": Commissioners: Aufuldish and Troy "NAYS": Commissioner Sines

8. RESOLUTION APPROVING PAYMENT OF BILLS AS LISTED ON THE COMMISSIONERS' APPROVAL JOURNAL IN THE AMOUNT OF \$683,012.66 (20111018\BC01) ©-4)

**On a motion** of Commissioner Troy, seconded by Commissioner Aufuldish, the foregoing resolution was adopted with the vote as follows: "AYES": Commissioners: Aufuldish, Sines and Troy "NAYS": None

9. RESOLUTION APPROVING PURCHASE ORDERS AS LISTED ON THE COMMISSIONERS' PURCHASE ORDER APPROVAL JOURNAL IN THE AMOUNT OF \$310,821.09 (20111018\BC02) (C-17)

**On a motion** of Commissioner Aufuldish, seconded by Commissioner Troy, the foregoing resolution was adopted with the vote as follows: "AYES": Commissioners: Aufuldish, Sines and Troy "NAYS": None

10. RESOLUTION INCREASING AND DECREASING APPROPRIATIONS FOR VARIOUS GENERAL AND NON GENERAL FUND ACCOUNTS (20111018\BC03) (C-111)

**On a motion** of Commissioner Troy, seconded by Commissioner Aufuldish, the foregoing resolution was adopted with the vote as follows: "AYES": Commissioners: Aufuldish, Sines and Troy "NAYS": None

11. RESOLUTION TRANSFERRING APPROPRIATIONS WITHIN VARIOUS GENERAL AND NON GENERAL FUND ACCOUNTS (20111018\BC04) (C-111)

**On a motion** of Commissioner Aufuldish, seconded by Commissioner Troy, the foregoing resolution was adopted with the vote as follows: "AYES": Commissioners: Aufuldish, Sines and Troy "NAYS": None

UTILITIES: Al Saari, Sanitary Engineer: Mobilization has already begun on the Cedar Glen Project and it should be complete before Thanksgiving.

- Brief discussion took place regarding construction in high water table areas. The Utilities Department can only assure that the public mainline is not the cause of flooding and the only way to mitigate problems is for laterals to be totally separate.

STORMWATER: None

JOB AND FAMILY SERVICES: None

ADMINISTRATIVE SERVICES: None

FINANCE: None

CLERK: None

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LEGAL: Ben Neylon, Legal Counsel welcomed John O'Donnell the new Chief Assistant Prosecutor of the Civil Division.

OLD BUSINESS: There was no old business.

NEW BUSINESS: There was no new business.

PUBLIC COMMENT: None

EXECUTIVE SESSION: None

ADJOURN: On a motion of Commissioner Troy, seconded by Commissioner Aufuldish, the Board adjourned the meeting at 3:02 pm, with the vote as follows:

"AYES": Commissioners: Aufuldish, Sines and Troy      "NAYS": None

Minutes approved this 27<sup>th</sup> day of October, 2011.

**BOARD OF LAKE COUNTY COMMISSIONERS**

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RAYMOND E. SINES, PRESIDENT

DANIEL P. TROY, COMMISSIONER

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ROBERT E. AUFULDISH, COMMISSIONER

AMY ELSZASZ, CLERK