

ST. CLAIRSVILLE CITY COUNCIL

March 30, 2020 (reschedule of March 16 regular meeting)

[Teleconference format in compliance with temporary changes to Ohio's Open Meetings Act]

Jim Velas, Council President
Perry Basile, Council, 1st Ward
Mark Bukmir, Council, 3rd Ward
Terra Butler, Council, 4th Ward
Linda Jordan, Council-At-Large
Beth Oprisch, Council-At-Large
Frank Sabatino, Council 2nd Ward
Mike Smith, Council-At-Large

Kathryn Thalman, Mayor
Open, Public Service/Safety Director
Annette Williams, Finance Director
Elizabeth Glick, Law Director
Don Smithberger, Super. of General Services
Tom Murphy, Planning & Zoning Administrator

The meeting was called to order by Council President Jim Velas. President Velas led Council in the Pledge of Allegiance. President Velas asked the Clerk to call the roll.

ROLL CALL:

Basile Here	Oprisch Here
Bukmir Here	Sabatino Here
Butler Here	Smith Here
Jordan Here	

HEARING:

Ed Kolodziej, President and Chief Operating Officer, and Tony Mancari, P.E., Director of Municipal Services, Aqua Ohio, presentation titled *RFQ/RFP to Acquire the Water and Wastewater Assets of the City of St. Clairsville*. [Document attached as part of the official record.]

President Velas explains the guidelines provided to Council in advance for the Question and Answer period. Round #1 of Council members' questions of Aqua representatives, beginning with President Velas asking each member in turn if they have any questions:

Councilman Sabatino: This proposal, that you've presented before Council tonight, is this the same proposal that you left us with in November, financially, and work wise and, you know, and all the work orders, etc.? **Tony:** Yes, this is the same proposal that was in the RFQ and the RFP – so, no changes, as well as reflected in the Asset Purchase Agreement. **Councilman Sabatino:** Very good, thank you. This one is for Ed. During your presentation, I jotted down some key words – partnership, relationships are very important, active in community, and the need to work together. As you know, there was a lot of negativism, backlash, and protest within the City of St. Clairsville and even amongst Council. How would Aqua form a working relationship in this kind of environment? **Ed:** Thanks for that question, Frank. It really brings things right to the fore, and I appreciate that. As we met with a subgroup of this group in preparing for this meeting, it was said that there was more going on between the parties of the prior administration and how things were handled. And, in a manner of speaking, Aqua got caught up in that level of political turmoil that was going on with the election. I would offer that, throughout that process, for any party that wanted to talk about what was going on, we maintained a neutral position on

how things were being handled within your purview and stayed there as that partner. We were asked to provide a proposal. We believe we did so. We offered up not simply coming and visiting our plants, but here are all the plants, here are all the mayors, you pick where you want to go. And various people, some from Council and the other committee, went on that trip to see them. So, I think you already have some evidence of our willingness to partner. Very frankly, we are all moving forward at this point. We still have an interest in serving the customers and the residents of St. Clairsville. And, it is going to be up to you folks to make a decision.

Councilman Sabatino: OK, I find your comments very interesting. That's all I have to ask. I'm done, Jim [Velas].

Councilman Bukmir: Yes, I do. First of all, thank you gentlemen for speaking to Council and the citizens again in St. Clairsville. My first question is, it seems to me like the Ohio EPA wants us to get away from surface water reservoirs. That being said, we have a surface water reservoir. How would you handle that situation?

Tony: I'll take this one. Firstly, Aqua has several surface water plants, two large ones on Lake Erie. We have surface water and blend with well water, so we are well versed in handling the complexities associated with surface water. We understand the EPA's concerns but they also have a level of confidence if it is being done right that a lot of those issues associated with surface water can be mitigated. Our approach really again, going back to what we discussed before, would be: get the plant stabilized; make sure that it can treat the reservoirs and the issues that are associated with the reservoir; and start buying capacity back by making those distribution system improvements. I don't think the EPA will mandate that you can no longer have that surface water plant if it is being run correctly and the treatment meets all the regulatory and water quality parameters. So, the bottom line answer to your question is, we wouldn't run from the fact and just make a decision to completely abandon being surface water. We'd be very aware of the treatment issues associated with that and our plan would mitigate that. And, again it could be any one of three options.

Councilman Bukmir: OK. My next question is, there was concern by some residents that, say something drastic would happen to our system, whether it be water or wastewater, what about the response time to get your assets down here to solve our problem? **Ed:** Councilman, the folks that are there in St. Clairsville right now would still be boots on the ground for both water and wastewater in St. Clairsville tomorrow. What is the nearest folks that are an hour or so away are those that provide yet another layer of expertise that is not really much different than if you had, if you were doing it yourself, and those individuals in the area in St. Clairsville at the plants couldn't handle it, they would be going out to someone remotely to get those answers as well. So, I'm not sure I see that there is a lot of difference. But what our system does do, it brings a level of backup and redundancy. As I was trying to intimate earlier with the COVID, we've got plans in place that go through four different phases of invasion by that virus and the loss of – the way we are doing it now with a lot of work from home [?] and balance – losing 20% of our people even losing 50% of our people, how do we move people around the state. The eight operating divisions actually move very fluidly to back one another up, and it provides a level of overall risk mitigation for the people we serve to insure that the water they are being served – and waste that's taken away – is done very well and it doesn't miss a beat.

Councilman Bukmir: I have one final question in this phase. One of the stumbling blocks in my mind that I think the public was concerned about, why in your estimation was Aqua Ohio the only bidder that we had for the purchase of our water and wastewater systems? **Ed:** First, we don't know how many people were requested to bid, so I really don't know. But it comes to being a utility

that's operating in Ohio, perhaps that had some people shy away from putting a bid in because there are some utilities that operate as an operator but not an owner, so maybe they weren't big enough? I don't know. We just don't know how many bids were sent out, to answer that question. **Councilman Bukmir:** OK. Thank you. I have no more further questions.

Councilwoman Butler: I do not. Thank you.

Councilman Basile: Really, my big question is, considering that we are going to be going off of surface water eventually here in the near future what is your thinking behind spending \$3.5 million on a water plant? I would think that amount of money could be used somewhere else like in distribution or in sewer or somewhere else. I know the water plant currently isn't going to last a whole lot longer, but it will last us long enough to get on either county water or even another alternative is Ferry. There is a line we can connect from Martins Ferry; and, \$3.5 million probably is just over half of that cost. I don't understand the direction that you guys want to take this. **Tony:** Thank you for the question, Councilman. A couple things, one is you've got to remember that this plan was developed almost a year ago before some of the consent orders came out from the EPA and some of the other mitigating factors that we weren't aware of. As I mentioned before, I don't anticipate the EPA per se putting a mandate on to say that you cannot use the surface water as a source. What they are going to say is, if you use it as a source, it must comply with all of these requirements and it has got to be protected. You've got to make sure that your treatment system is working. So, again, when we built this plan a year ago, we took that into consideration and we said, if we had to build something for what we know right now, what we think we would have to do, could we build a plant after we regain that capacity in the distribution system, that was smaller, more efficient and could treat that source and maybe potentially get augmented by Belmont County or somewhere else, that was our thinking and our strategy. You are absolutely correct that if we would not stick to that plan if there was a more cost effective solution but that's placed in an out year because we just have to get the current plant under control before we can make the best decision. We are not averse to doing any of the options you've said or even something else, but at the time we just didn't have that information that we all have now. **Councilman Basile:** I understand. I'm looking at the plan and I read through it again today. And, I think from what you guys are speaking about today, you are sticking to your plan, you're sticking to your proposal, because I understand why you are doing that. But, I think in the last I would say three months there has been a lot of other options and a lot of other things that are available to the City. And, there needs to be some fluidity here to be able to maneuver through this. And, to have that in your plan currently, I don't see that even as a viable option when we've got other options for ground water available to us. Even the County, we've got another line ready to hook up on the east side of the town that nobody seemed to remember it was there until recently, and it is a valve that has to be changed out. We've got access to fight [?] the County water east and west. So, that's really my only question. I'm more about functionality, I mean, why are we doing something. And, the other question is, due to what has been going on with this coronavirus and how our timeline has been really severely interrupted with what we were charting out to do with the research we were wanting to do on our end, is I would like to see an extension on the time for us to finish what we set out to do. And, that's something [unintelligible] I'd like to see you consider so that we could finish up what we are looking at all the other options and all the different viable things that you might want to look at once we finish. **Ed:** Councilman, I think we have already moved the timeline out to, I

believe, it's May 4th, and we'll see what happens then. But, if I may weigh in, I'm in full agreement with you on what makes sense in functionality. We are not wed to, remember Tony said back when he was on that chart, Year 5 and 6 we are bringing things very quickly into compliance and then we are focusing on the distribution system and once we get in – and this has happened as we've bought other systems – once you really get in and start to run it, you find out more things than you ever wish you'd knew about what was wrong with the system in the first place. So, as you move out to Year 6, there is less fidelity than there would be in Year 1 and 2 and 3 of the capital plan. And, we are fully committed to explore the options. Now, when you talk about Martins Ferry, just getting the line from Martins Ferry up to St. Clairsville could be something for the County's, could be, I'd say, between a \$12 to \$15 million dollar project for that many miles of run. And, then you've got to deal with training [?] and stuff. So, it's not a slam dunk that that's the best alternative or it could be if we were perhaps allowed to buy a slice of that plant or purchase, as Tony said, purchase the peaks. There are a lot of different permutations that we are going to be digging into. Some of the unknowns are when we focus on the distribution system and plug up the leaks, regain 25-30% of the lost water, that's going to perhaps even change the needs for capacity out in that Year 5 – 6 time frame. How successful we are is yet to be determined cause we haven't gotten our leak detection people out there with the listening devices to find where all the problems are or, you know, cut the pipes open to see how bad the tubercular buildup is on the inside. A 6 inch pipe may be down at 2 ½ or 3 inches of flow. So, there is a lot that we don't know. So, this is our best shot. Whether it is a year ago or now, there's still, uh, if we did it today again there would still be levels of uncertainty.

Councilman Basile: Sure. All right. That's really the only question I had currently. Thank you for your time. **Ed:** You are welcome, Perry.

Councilwoman Oprisch: Yes. First, I'd like to thank you guys for your presentation. I appreciate it; I thought it was thorough and informative. My first question is, if St. Clairsville were to enter into a relationship with Aqua, what kind of reporting – communication – would we have regarding the progress that Aqua is making to our system? Would that be attendance at monthly Council meetings, would that be quarterly reports? **Ed:** I think we are going to be open to whatever suits things best. I often try to put myself in the role of the people that I'm dealing with. And especially as you get in there and trying to make sure that the residents are [incomplete clause], you know, the water plant is moving into compliance very quickly. I believe you are gonna need assurances on a very regular basis, short time frames, on what's happening, recognize that some projects and activities take multiple months to do. But, I think we need to commit to a rather vigorous communication strategy early on. And maybe as we get to know each other and things move in to a stable environment, then we'll just find out what the cadence is of that communication that works for everybody. **Councilwoman Oprisch:** OK. Thanks. **Ed:** But, I think you are going to need a lot, fast – a lot of communication out of the gate. **Councilwoman Oprisch:** All right, thanks, Ed. **Ed:** You are welcome. **Councilwoman Oprisch:** My second question is, regarding the background checks for the current employees, are those BCI [Ohio Bureau of Criminal Investigation], FBI [Federal Bureau of Investigation] or both? **Ed:** Tony, can you handle that one? I don't know what that requirement is off the top of my head. **Tony:** I don't know off the top of my head, but we can follow up with you on that tomorrow and get you that information. **Councilwoman Oprisch:** OK. Great. Thanks. **Tony:** Yes. **Councilwoman Oprisch:** And, my last question is, the due diligence that you guys, Aqua, put forth into getting us the proposals, would you say that, how long would that due diligence

have taken? Was that the better part of since 2017 on, was that 45 days in between the proposal, what was the time frame of kicking the tires? **Tony:** I'm pulling up my time line here...could you just, so I understand your question, Councilwoman, could you just say that again, please? **Councilwoman Oprisch:** Sure, and I appreciate the three slides on the time line of Aqua's involvement in the City, I'm just trying to get a sense of really to formulate your proposals to us, that was beyond that 45 days, right? That seems to me to be part of the 2017 relationship that we've had. **Ed:** Well, if I could, when we got the request for proposal, we caucused and studied it right away. So, what Tony and I did, we convened my engineering staff, environmental compliance, the people who would provide divisional operations, my director of operations, my financial person (the Controller). We dug into what was being asked in the RFQ/RFP. And, as that time progressed from the original discussions until then, some of the trials and tribulations that were in the public domain were no secret as to some of the struggles with compliance. But, once we got that RFQ/RFP, we then, I can't remember if it was one trip down or was it split over two, Tony, where we came down en masse and kinda dug into both. I remember being on one of those trips to look at things. I don't remember if there was a second one, but it was after that May 30 – or after that April – date; yea, April 15th to May 31st Aqua conducts formal financial and operational due diligence. So, it was in that first month and a half. **Councilwoman Oprisch:** OK. Thanks. **Ed:** Yep. **Councilwoman Oprisch:** That's all my questions, Jim [Velas].

Councilman Smith: I just have one. These are all good questions and, Mark [Bukmir], I appreciate your questions in particular because they were helpful to me. Under the Capital Investmet, the Plant Upgrades, \$635,000 over ten years, and the New Water Treatment Plant \$3 million. Are you going to be able to build a new water treatment plant for \$3 million dollars to replace the one that's down there? I think Perry [Basile] may have touched a little bit on that question. **Tony:** Depending on the treatment and the size, right, so you have to figure that plant that you have down there now was built in the '20s, and, you know, larger filters, larger settling basins. You can now have plants with one million gallons a day of capacity that are almost on a skid mounted system; they are very modular and so as things have shrunk down obviously the costs have gone down. The treatment is more complex. But at the time we made this proposal, we were confident again if we took a modular approach where we may get a little help from the County on certain days when we needed water from there that we could have a plant for that cost. But, again, where we are sitting now, where we were sitting back then, even where we will be sitting five years from now, that's just our best estimate at the time. **Councilman Smith:** OK. That's my only question and, again, those are all good questions. I'm running out of anything to add, but I appreciate everyone's questions. Thanks.

Councilwoman Jordan: Yes. I do. First, I'd like to thank both of you for joining us. You mentioned the rate increases. Do you happen to know an approximate average increase? **Tony:** Approximate average increase for the water over the... **Councilwoman Jordan:** Yes. Yes. [unintelligible] **Tony:** So, if you are on slide 16, again, you can see the Ordinance rates for the different blocks. So, through 2022, those are the Ordinance rates, the minimum charge per month – and that's probably the best benchmark to look at – is \$26.98. The following year, under what Aqua proposed, it would go up to \$28.33 which is \$1.35. I don't know what that percentage is on there, what a \$1.35 is on \$26.98, and then you can see the out years from that. But to go from 2022 to 2025 with the capital expenditures in that time and the purchase price, the

rates would go or the minimum charge, again, the minimum charge – using that as the benchmark – goes from \$26.98 to \$31.23. **Councilwoman Jordan:** OK. **Tony:** Does that answer your question, Councilwoman? **Councilwoman Jordan:** Yes, it does. Thank you. And, the next question is...I did see your press release regarding the rate decreases at the beginning of the year. Your rate decreases, is that just a rare occurrence or is that something that you anticipate happening as you acquire more municipalities or...? **Ed:** That rate decrease was a result of the federal tax act which removed tax burdens for certain elements of utility plant. And in so doing, whenever we have an expense change like that, we pass that on to our customers. So that was an occurrence that was associated with the federal tax change. **Councilwoman Jordan:** OK. Thank you. Thank you. **Ed:** You are welcome.

President Velas: That concludes the first round of questions through Council. I'm going to give you a minute or two here to think, and we are going to go back down and see if anybody has any additional questions they would like to ask.

Round #2 of Council members' questions of Aqua representatives, beginning with President Velas asking each member in turn if they have any questions:

Councilman Sabatino: Yes. I have one for Ed. Ed, with the COVID-19 going on, OK, Aqua, with their customers, their billing, all right, are they going to, we have an ordinance tonight we are going to forgive any late fees, is Aqua doing similar for their billing customers? **Ed:** Yes, we just there are several things: one, for people who went delinquent on their bills, we are no longer cutting them off for not paying during all this cause people are in very hard times; also, where people need to be reconnected, we have been moving through a process of reconnecting them as they call us; and, also relative to what happens we then try to work with into the future, people may need payment arrangements to get out of this slump over time. So, we are going to work with them as best we can, recognizing the hardships they are under. **Councilman Sabatino:** Very good. Thank you. **Ed:** You are welcome.

Councilman Bukmir: I have no additional questions.

Councilwoman Butler: I do not. Thank you.

Councilman Basile: I don't. Thank you.

Councilman Oprisch: I just want to thank Frank [Sabatino] for his question. That was the question I was going to ask about Aqua's response to this pandemic. So, they've answered that and I appreciate Frank's question. I have no further questions at this time.

Councilman Smith: No, I do not. Thank you.

Councilwoman Jordan: No. No, I don't.

President Velas: At this time, I'd like to thank Tony and Ed for going over this presentation. Council, I am sure, will look into this and look at all other alternatives. And, hopefully we can arrive at a situation and a decision that is in the best interest of the City and the residents. I want

to thank you again for participating. Thank you very much. **Ed:** You are very welcome. Thank you. **Tony:** Thank you.

President Velas: At this time, we will move on to Mr. Jeff Vaughn. He's going to present us with some updates on what has transpired at our water plant since January 1st when the new administration has taken over and fill us in. We are going to follow the same procedure with Jeff that we did with Aqua. We'll let him make his presentation, then we will go through the Council people if they have any questions they want to ask Jeff.

Jeff Vaughn, P.E., Vaughn, Coast & Vaughn, Inc., presentation titled *City of St. Clairsville Progress Report of City Administration on Water System Compliance Issues*. [Document attached as part of the official record.]

Round #1 of Council members' questions of Mr. Vaughn, beginning with President Velas asking each member in turn if they have any questions:

Councilman Sabatino: A couple questions for you, you know, your study, I was always under the understanding that the contract you had with the City, you were going to have, it was going to be a study on rates. OK. And, all these slides and I've never seen any costs. How could you explain that? **Jeff:** The purpose of the agenda for my presentation tonight was only to update Council on EPA compliance issues with the water plant because we were forced with addressing that as the first go around of anything, regardless of the study coming later. We had to address what we termed as imminent emergency response to EPA's Findings & Orders. So that was all that was stated for this presentation to be. **Councilman Sabatino:** But, but you are working on a study of costs for the citizens? **Jeff:** Yes. **Councilman Sabatino:** And, how soon will you have that? **Jeff:** With Aqua allowing us til the first part of May, that's ongoing right now, Frank, and we are going to work toward that goal. This EPA response took us out of working on that right off the bat because we had to address these things with the EPA almost on an ongoing continual basis. **Councilman Sabatino:** All right, Jeff, and how would you answer to the citizens, ah, you know, there was a lot of negativity about keeping St. Clairsville water, all right. Now, in the foreseeable future, we are going to have a combination of water from Belmont County and Martins Ferry, so basically in essence it is no longer gonna be St. Clairsville water. How do you answer that? **Jeff:** Well, we looked at, I think long term the idea, and EPA, again the gentleman from Aqua stated the same thing. EPA can't force you to use any given water. It's just what you use, you have to do it in a compliant nature. Looking long term again, for the City, it has always seemed logical to progress toward the City and the County put in a booster station to connect their lines so they could purchase long term bulk ground water which is not surface water. The Martins Ferry aspect came in as just another alternative but as you look at cost and of course Ed mentioned that we all think the same thing. The connection to Belmont County was already funded by the County and the City. There's debt service still being paid on that. It's right there. The booster station you've noticed is right at the water plant. It would make so much sense to continue that relationship rather than, financially it doesn't seem feasible at all to build a line from down at the river all the way up here to transfer their finished water at similar bulk charge to the City water system. OK. So, the idea is when you say St. Clairsville water or County water, when you say the reservoir water, when you take a look as things have developed and what's in that reservoir. If you look in the drainage basin and what impacts it --

you know, septic tanks overflowing, drainage off the highway and that whole upper area -- influences that over years. And, there's heavy silt in the bottom and a sludge blanket, and so on and so on. And, the taste and odor compounds that can be generated seasonally due to the reservoir turn over and so on, needing activated carbon for that. It makes more sense long term in terms of operational aspects, Class III Water Plant Operator, to look at the idea for a small community of receiving or purchasing bulk water if it is feasible and not having to worry about sophisticated water treatment and being able to maintain distribution system with operators at that certification level and not have to pay Class III Operators to run a complicated surface water treatment plant. So, I think, in the long run, you get a better quality, long term source of water and you can not having to worry about treating a small impoundment that has many, many issues with it going on, including the actual dam itself. **Councilman Sabatino:** All right, Jeff, my third question and the last to you, much has been said about the distribution lines and how if we go with this system that you are studying, how do we go about replacing the 10 miles we've been told of distribution throughout the City? **Jeff:** Frank, we look at it the same way. The Aqua gentleman, engineers and so on, and any consultant, we look at it the same way. And, this City, when you look at it, the biggest priority they have now besides the source of water, which the EPA focuses on for health and safety, is how do you carry that finished water throughout the City because the age of the lines. Nothing, absolutely nothing, has been done to the pipe distribution system. So that is the highest priority after you have a safe supply of water to go through them due to the heavy encrustation/tuberculation on the interior, pressure loss through the system, fire flow capability, capacity, and so on. You have to look at areas where leak concentrations are, look at where fire flow is not good, and you begin to prioritize and phase in funding sources which from the public ownership end would be through those means and methods which are available through the Ohio EPA programs and other federal programs and grant programs, etc. So, it is the same emphasis, it's just the money comes from different arenas. Whether it's Aqua's sources as a private business or, when you are public, you do it through a public source of funding. **Councilman Sabatino:** That's all I have, Jeff. Thank you. **Jeff:** OK. You are welcome.

Councilman Bukmir: Yes. I do. The first question that really sticks out in my mind, these other sources of money, from OMEGA [Ohio Mid-Eastern Governments Association], they provide funding. That money is just not being given to us, correct? We have to pay that money back. Am I right to assume that? **Jeff:** Yes, Mark, most monies that are provided, you get points for them through different programs, and health and safety is a big category, and the vast majority is loans, low interest loans. And, there's some grants that could be available, but yes, most of it is through loan programs. **Councilman Bukmir:** So, we will be paying it back? **Jeff:** You have to, yes, there's no free lunch. **Councilman Bukmir:** There's no free lunch. OK. The other thing that concerns me, Martins Ferry's involvement. Are they doing that as a good will gesture because they are a neighboring community and want to help us, or are we held responsible to pay those men's wages and equipment rentals and stuff when they are doing the work in our City? **Jeff:** Well, their initial participation was how they can help in any way because they make a lot of good, clean water. They have good people, they are experienced water system operators and providers. And when it became more apparent that the County connection is there, and they are not connected to the City, you know, they could offer, being a neighbor, to provide that expertise. And we never got to the point of talking about how we would thank them or pay them for doing some assistance. But they were very helpful and they

may do that to some degree on just a volunteer basis. I don't know. But they are very good people, they are good neighbors. And, I think their intent was as a good neighbor. **Councilman Bukmir:** And, I don't doubt that. The other thing that would concern me is, when those men are here working, what happens if they are injured on the job? Who is responsible for taking care of that compensation claim, the City of St. Clairsville? We are not hiring them; they are just doing it on good will. Or the City of Martins Ferry? I think that is important to consider. **Jeff:** And, that's a good point. Once we work together with them, we get towards, there would be an agreement signed to have them obviously limit their liability exposure for the City because the City covers their own employees. They cover their own men. There would be a detail worked out on that. That's a good question. I think the bigger picture is Ohio EPA likes the idea of the concept as we go to the future, when I mentioned bulk purchase through one or the other, moving way out ahead – 10 to 20 years – regionalization. Ed spoke of that also, collaborative ventures between communities. That's what they want, the bigger the entity providing the water and how you can help share it around, means a lot to EPA in terms of health and safety and redundancy and reliability through that water source to keep people having a safe and healthy source of water. So, it is a good thing when they would help to partner in like that. They have the ability, and they are a good neighbor. **Councilman Bukmir:** And, my final question at this stage, they may make perfectly good water, and I am sure they do, but I do know that, through talking with people in Martins Ferry, that they are very unhappy with their quality of water. And, to the point where they have called the water treatment plant and said, "What is wrong with our water. We paid all this money for this great plant and we can't drink it because it is brown, or it has an awful taste to it." And, their response was, "Well, we make great water, but we put it into a bad distribution system." So, they have the same exact problem we have, and they are not addressing theirs either. And, that kind of concerns me. **Jeff:** They are a bigger system, obviously, it's a bigger city. It's got some really old, large pipe. And, Mark, when they treat their water out of the ground, they remove iron and manganese through ozonation and filtration, so that takes out all of the mineral content that is called a nuisance to users, meaning brown water. However, as you stated, yes, some of those pipes are old and rusty. The connection that you have to go from would be out of their main transmission line up on [U.S. Route] 250 out of the big, tall tanks. And it's not true of the City's distribution where people live down in there and have water taps on some of the older lines. They are doing like everybody else is, the best they can, and trying to rejuvenate and replace lines but they have such a large hurdle because the lines down there are so darn big. And they, quite frankly, are much older than St. Clairsville's lines. But, they produce a good water and it can be delivered to their outside customers and not in a sense of being a brown water because it's clean and it's had the manganese, which is the brown color, removed from the water. **Councilman Bukmir:** I have no further questions.

Councilwoman Butler: Yea. I have two. Jeff, have we ever faced a fire flow problem that you know of? **Jeff:** I'm sorry, you broke up a little bit, Terra. **Councilwoman Butler:** I said, have we ever faced a fire flow problem that you know of? **Jeff:** I'm not familiar with actual fire incidents in the City right now as I sit here. I do know that there's pressure issues, over in Spring Park. Due to high elevation, the water doesn't carry real well over there because of high elevation plus it has the tuberculated lines. **Councilwoman Butler:** OK. And, my second thing is, when the guys who were speaking earlier from Aqua, and they were talking about running water up from Ferry to our place and the cost of it. They mentioned \$12 to 15 million to run that. And I've been in a couple of different meetings, and if you could elaborate a little bit on

that because that is not exactly accurate from what I've heard before. I know we have other options, are you able to elaborate a little bit on those? **Jeff:** As part of what I am supposed to be doing for the City would be to put it out there and identify a cost of a pipeline and say one booster station feeding from the 250 12-inch ductile line out of the big tanks across Hill and Dale over to a point where it could connect into the City system. Though, maybe let's just consider that these costs could be turned into a real number. We can all put numbers out there, but no one has really sat down and done a hard estimate on that connection line as we stand today. OK?

Councilwoman Butler: OK. Thank you. I don't have any more questions.

Councilman Basile: I do. I've got a question and it has to do with the percentage of water that we are losing versus what the County could make up for us once we figure out our real loss and fix the loss. So, theoretically if we are looking at losing 50% of our water, which I think is really a stretch, and say we dropped that back to take 20% out of that 600,000 we are producing, the County could more than supply us with the water that we need because we'd be well under their maximum that they currently are allowed to give us. Is that a true statement, am I thinking the wrong way? **Jeff:** Well no, and that's the purpose of getting the meters and we are actively doing that right now. The City staff and Don Smithberger is directing that effort to get these meters in all unmetered locations. So, we can compile usage versus what is pumped, and then whether the usage is billed or not billed, at least it is metered and then you will know what the true leak is. So, at this time, that is not known, but it is the academic approach to take right off the bat. And then, going along with that, during this period of time, you know, we get out there and do an active leak survey. And, then you look at everything and try to listen for leaks and try to identify larger ones – not small ones because there's probably a lot of distributive leaks throughout this old piping system – but try to go for the larger ones and knock those out. And even go back and look at the wastewater plant where they use a lot of potable water and maybe you reduce that using effluent water at the wastewater plant for major hose downs so you don't have to use potable drinking water for that. You do a big water audit and identify a reduction overall but you need the meters in first as step one to know what you are actually consuming versus what the water plant is pumping through the system. And, then we can go from there.

Councilman Basile: So, is it feasible to, what I was told and was thinking about is, I thought that the water audit, the leak audit, could be done in a several months throughout the City. That doesn't mean fix everything because it is going to take some man hours to do the repairs, but if we could find the leaks within a few months and decrease the amount that we are losing, and then be able to buy from the County. I'm thinking that that 5-year plan to where they are able to give us 100% water is, we are talking about our current usage rate. If we knock that down to 400,000 or 425,000, are we not below that threshold to where we can actually get on the County for full time water use? Or, am I not thinking... **Jeff:** Well, right now, what we have to demonstrate to EPA is that we have the best information available in our hands right now. It's about 600,000 is what we need, so we have to demonstrate that on paper right today and that's what we have achieved. But then we can knock that down. The current booster station that is at the water plant can do up to 325,000 per day, so we are still going to need the East End one and demonstrate that we do have reliability, redundancy, for the residents during this time frame. But, it may be hopefully a lot less once we get the meters in and see what the actual leak loss is. But, we need the meters in, first step. **Councilman Basile:** OK. That's really the only question I have. Thank you.

Councilwoman Oprisch: Yes. First, I just wanted to thank you, Jeff, for all the work you are doing on behalf of the City and your participation in tonight's meeting. I'm really looking forward to the financial analysis of your report. So, I don't have a ton of questions on the information you've presented. But I did want to know, you talked a little bit about the status of the meters. Do you have a little bit more than "we're working on it" – like, have the meters been ordered, have any been installed? **Jeff:** Yea. They are in progress of all the ones that we need to have put in are all identified and in the process of being ordered through the City's main supplier. We kind of were focusing on larger meters, obviously bigger uses, you know, little teeny ones, but they all add up. There's a lot of hose bibs areas, they all have to be accounted for. So, it's full on progress, Beth, towards that. A lot of them have to wait to get here before we can actually cut them in the line [per se?] but, it's in progress. **Councilwoman Oprisch:** Have any been installed to date? **Jeff:** I don't believe so, no. **Councilwoman Oprisch:** And, do we have any idea what the cost is of these meters? **Jeff:** I don't have that number. I think Don [Smithberger] might have that once we summarize those numbers together. **Councilwoman Oprisch:** And, do we know what the total number of those meters were? **Jeff:** I have that total on a piece of paper, I don't have it at my fingertips. But some of the meters are nothing more than a small meter that you would have for your house for some hose bibs, and other ones are 2 or 3 inch meters. Basically, the largest one would be at the wastewater plant. So, we can have that total. **Councilwoman Oprisch:** If we can get the total number of meters and the cost of the meters? And, then the last question I have is, the cost of rejuvenating the booster station on [U.S.] 40, I think Mark [Bukmir] asked a question I appreciate about, was it a grant, was it a loan? I think you've already said that it was a loan. Do we have any idea how much that would be? **Jeff:** Until the corona[-virus] slowed that part down, we were going to meet with the County distribution guys and identify that cost. And, I believe, Beth, Mark's question was more to the tune of the water lines being replaced, big dollar amounts were primarily loans. But, I think OMEGA may be providing a large amount of grant towards this; it's a relatively smaller cost, it would be under, I'm not really sure, but I think I would say under \$50 grand to rejuvenate that little station there. **Councilwoman Oprisch:** And, you are thinking that might be a grant? **Jeff:** Yes. **Councilwoman Oprisch:** OK. And that all will be summarized in the financial part of your report. Is that correct? **Jeff:** Yes. **Councilwoman Oprisch:** OK. That's all I have and, again, thanks Jeff, I appreciate it. **Jeff:** You are welcome.

Councilman Smith: Just one quick one, Jeff, no matter where we get water, whether it is from Martins Ferry or the County or wherever, it still has to go through the water plant, right, to be treated? **Jeff:** Well, when you buy water from Belmont County or another supplier like Martins Ferry, it is already treated; it's called bulk water purchased, it's potable, it's ready for the tap. OK? The water that you are treating is the open impoundment water which is the raw water that you run through the treatment process then put it into your distribution system. If you bought the bulk water, it goes right into your distribution lines and is boosted to be able to enter the elevated storage tank to meet that pressure requirement. It does not have to be treated again, Mike, no. **Councilman Smith:** OK. Thanks. That's all.

Councilwoman Jordan: Yes. I do. Thank you for asking that question, Mike [Smith], because mine borders on that. If we buy water from someone, what would happen with our water plant? **Jeff:** In the long run, we have to tell EPA that it would be retired and put to rest because in its

present form it can't continue too much longer. **Councilwoman Jordan:** OK. My next question, that East End booster station, when was the last time it was used because I've heard that it's been quite a while. **Jeff:** That is correct; about the time frame of 2004 when the main booster was built at the water plant, the joint venture. **Councilwoman Jordan:** OK. Is there enough capacity for what we need? **Jeff:** That was the, I showed the numbers – someone is breaking us up there – the East End booster station, Linda, hydraulically can provide up to 250,000 gallons a day from the Belmont County system once it is rejuvenated. Meaning, take the booster pump out and put a new one in. Put some new valves in there and that kind of thing and there for a backup should we have an issue or hiccup for what we call a period of time not for a long lasting venture there. OK? [unintelligible] And, it would supplement the other booster station. **Councilwoman Jordan:** OK. Now if the St. Clair Commons, once it's developed, will there be enough capacity? **Jeff:** Again, who knows what the Commons would use. Right now, of course it is in its initial stages. The nursing home only has partial occupancy. **Councilwoman Jordan:** Right. I mean, let's assume it will be developed. And, then, that booster station will it be able to handle it? **Jeff:** The idea would be then to use what's called the water plant booster station to supply 100% of the City's flows and then that East End would be retired because the County system at that time – in five years – would be up to snuff to provide all your needs through that one pump station. OK? **Councilwoman Jordan:** OK. **Jeff:** Kind of a technical thing there, they have some hydraulic issues so they have to give the City water through two locations, let's put it that way. Later, when they are strong and robust, five years, then they can do it all from the one location, right at the water plant which is the best location. **Councilwoman Jordan:** OK. That's all the questions I have.

Round #2 of Council members' questions of Mr. Vaughn, beginning with President Velas asking each member in turn if they have any questions:

Councilman Sabatino: Yes. I have one for Jeff. Jeff, professionally, you and your firm, are you in any way affiliated with Belmont County water? **Jeff:** I am not working on that water plant or that upgrade system at all. I've done projects for them as I have done projects for many communities around here, but presently I am not working for them on any water system project, including that water plant upgrade and distribution system upgrade. **Councilman Sabatino:** OK. You're not under any contract with them at all? **Jeff:** I'm under a contract with them for upgrading their sewage plant which I signed about five years ago and that is a whole separate issue there because it has issues due to age and it is falling apart. That's what I currently have been working on for them. **Councilman Sabatino:** OK. Then you are not giving them advice or consultation or anything at the present time? **Jeff:** On water? **Councilman Sabatino:** Yea, on any issue, water, wastewater? **Jeff:** Well, they hired a large consultant to do the water system/water plant replacement. They hired our firm five years ago to work on its wastewater plant so that's all that I am doing for them is a contract to, you know, we've designed and had permitted upgrades to give them more treatment capacity and take care of some force main items, hydraulic treatment issues and the force main system. That's all I am doing for them, now, Frank, just that advice on that wastewater transmission system. **Councilman Sabatino:** All right. That's all I have. Thank you.

Councilman Bukmir: Yes. I have a couple other questions. What about the mixing of waters? We are going to be using St. Clairsville's maybe, Martins Ferry, and maybe Belmont County.

Does that present a problem if we mix the waters? **Jeff:** It does. The City originally, Mark, we put this booster station at the water plant. And, you had a pretty good superintendent there, Dick Bauer, and what he wanted to do, we put variable frequency drives there back in 2004 so he could blend surface water with County water, you know, to supplement when they were in trouble, meaning droughts and low water reservoir level. But, the problem always was a water quality issue of surface water plus ground water. When you blend them, again, due to the condition of the water line pipes inside, the tuberculation, so it became a water chemistry issue. They used a lot of polyphosphate in there, it acts as a sequestering agent, but it was really a distribution system issue. And, the two different water chemistries didn't work so well so then it becomes better if you use one or the other for that reason. So, they pretty much just limped along and continued to use surface water when they had to buy – which they have a contract for – County water they would just begin to pump that into the system on a pretty controlled basis because you are paying for it anyway. But, you have to be careful in doing that because of the water chemistries and the condition of the water distribution lines. **Councilman Bukmir:** My next question is, during a drought situation like this past summer, how did Belmont County handle the City of St. Clairsville's needs for water during that period? Did they do all right, could we get as much water as we needed, did they put a limit on us, or how was that handled? **Jeff:** They provided as much as they could, and for a while it became a little tenuous because, again, they have a booster station that takes water from their south system out to the west all the way out to Belmont, OK, and way out there – Bethesda, Belmont – and it's located on Richland Township property on Route 9 there. And, it has a hydraulic issue; it's elevation is too high. So they can only provide so much because some of that water needs to go west and some of it was going to St. Clairsville. So, they were nervous for a while with that drought period, and that's what EPA is concerned about in the future – the reservoir being in a drought condition for an extended time period. The County right now couldn't do all the capacity we needed through that, I'll call it the State Route 9 booster-water plant connection. That's why we wanted to get more water from some other source. It's still County source, but it is a different point on their distribution system which is over near Whiteside's and the Eagles there, and that will work hydraulically. So, that would suffice but that was never even mentioned or thought about until just recently when we were having this brainstorming session with Martins Ferry, and the County and the City people in the Council chamber. **Councilman Bukmir:** OK. My final question, your time line pretty much spells out that St. Clairsville pretty much favors going with Belmont County or Martins Ferry for the water. But, what if there is a monkey wrench thrown in and we determine that Aqua is a better choice for us at this time, what does that do with the EPA and their looking at our City and our water problems? **Jeff:** Well, that's a very good question you ask, Mark, because we had to go to the ropes with them, EPA. And, like I explained, the first two months of this new administration literally duke it out and negotiate. They wanted to know what the long-term source of water, and, we pretty much said, OK, we understand the water plant, the impoundment, is not a good long-term source. We would suggest the logical thing to do is to buy bulk water from a larger purveyor that provides a good ground water source. Quite frankly, a better tasting, decent water source for all time's sake. But, we have a time issue, so this became new information. And, I believe when Ed and Tony were discussing it, Ed specifically stated that, some things came into the foray here that they were not aware of because of the dynamics in this first quarter in dealing with EPA on the front lines. We had to make some decisions here to push this out there. But, as they also mentioned, Aqua, they are all open as needed to look at all options as long as it makes sense for the City and is the most economical.

Councilman Bukmir: So, one way or another, we'll probably will be using Belmont County and Martins Ferry water whether we choose to do it on our own or whether we go with Aqua? Am I correct to assume that? **Jeff:** That would be my opinion long term as the best route to take. Because I just don't see, and I think many others could also agree, that that reservoir with the drainage basin is a good long term source with its complexity to treat, operator sophistication. And, I don't believe it is a good idea to blend it with the ground water even if we had new pipes due to the different water chemistries. But, that's my opinion. **Councilman Bukmir:** And, I appreciate that. And, the last question that I would have, so in essence what we are really saying is, St. Clairsville will lose their own water and be using someone else's water? **Jeff:** That's the way I look at it. Buying that bulk purchase water, as I have said before, seems to me it is taking one less load off your back, and you don't have to worry about it, a community that has better things to do than worry about making your own water. **Councilman Bukmir:** So, the real issue becomes then, do we want to pay, do we want to have our rates controlled by Aqua or do we want to have our rates controlled by a government entity of Belmont County and Martins Ferry? Is it fair to assume that? **Jeff:** No. You almost hit it right on the head with the essence of what Council has to decide down the road here, shortly, is do you want to go with a private company as these professionals told you that they can do that work for you and figure it out. Or do you want to let the public entity, meaning the administration and their technical resources, do the same thing using available public financing in the form that they can phase and prioritize in probably in essence doing the same thing, meaning rejuvenating the main distribution system and priorities going down and getting out of worrying about having to comply with these stringent surface water treatment aspects and running that plant whether it is downsizing, rebuilding it, whatever, and then you can get away with having the difficulty of having a Class III Operator on that staff, and worry about more pressing needs that probably make more sense for the City looking forward. **Councilman Bukmir:** All right. Thank you. I have no further questions.

Councilwoman Butler: I do not have any. Thanks, Jeff, for being here tonight. **Jeff:** You are welcome.

Councilman Basile: I do. I have a question. It's kinda going to piggyback off of Mark's [Bukmir]. When we first started into this venture and were looking for another opportunity, another choice from what was given us, so we have comparables. And, I'm looking at Aqua and I don't know that they are going to be cheaper just for the fact that they have to show a profit margin to their shareholders. And, as a community, in our ability to get low interest loans and partially grants, I think that we can do this cheaper over the long run. Am I thinking correctly on that? When I think about Aqua, and I'm not taking anything from Aqua because they are not the culprit in any of this, they are just a company that does what they do. I've got no issue with them. I look at Aqua as, for instance, if I was going to go out to dinner, I would be going to Longhorn to get a steak versus going to the butcher to get a side of beef. And, I've got beef a lot longer if I go get the side of beef at the same cost as ten dinners over at Longhorn. So, I'm thinking, I'm wondering, if it is more economical for us -- and, I know, you are done with the numbers yet -- but is that most likely going to happen? Are we going to be able to do this for less money? **Jeff:** It is not a black and white issue entirely because of how you phase things in. Aqua is a very highly known, very good, professional, private company that is experts in what they do as Tony has demonstrated. What the City just wants to exercise is the ability to show

their constituents is there another way to do this because that's what they promised them to do. And, I think the task in hand for those of us working on that is just to simply show what that would cost to do similar types of upgrades using what's available in the public world of financing, if the City was just owning it and doing it themselves, using their resources, not as expert people if you will; or, as Aqua, such a large, expert company would do. So, that's the exercise I believe this administration would like to achieve and show as they promised they would do this year. So, that's what we are trying to accomplish here. So, I'll just kind of leave it at that. **Councilman Basile:** OK. Thank you. I don't have any further questions.

Councilwoman Oprisch: I have no additional questions at this time.

Councilman Smith: No. Just a quick comment. I think Martins Ferry probably is trying to be a good neighbor. And, somebody mentioned something about if someone got hurt if Martins Ferry people are up there, but I think under the previous administration, didn't we send a vehicle down there to let them use or we sent some of our people down there to help them run it? I just think maybe they are trying to respond in kind when it comes to that. But, whether we use it, their water, or not, I just wanted to point that out. I don't have any other questions.

Councilwoman Jordan: No.

President Velas: Jeff [Vaughn], I'd like to thank you for your presentation and answering the questions that were presented to you. I would like to thank both of you for being here this evening. And, I'm sure Council and the administration will look into all possible options and select what they believe to be the best one for the City.

MINUTES:

President Velas From that point, I kind of jumped over the minutes. We've got three sets of minutes that need to be approved, from the February [1]8th meeting, the March 2nd meeting and the March 5th special meeting. We will obviously address these individually but has everyone received a copy of the minutes? And, do they have any questions on, first of all, the February 18th minutes?

Councilman Sabatino Yes, I did. I just want to say I was very disappointed how long it took me to get a clarification and a correction of the minutes of the February meeting there. That would have been the 18th, I believe, the Tuesday meeting. So, it was very frustrating, uh, what about that. Otherwise than that, they end up being corrected, you know, and so I have no questions about them, about accepting them.

Councilman Bukmir, Councilwoman Butler, Councilman Basile No questions.

Councilwoman Oprisch I have received the minutes. I have no questions. I just want to thank Roberta for getting all those minutes together and making the amendments as requested.

Councilman Smith, and Councilwoman Jordan No questions.