

Board of Municipal Utilities
Regular Meeting Minutes
December 6, 2016
201 Miller Road
Avon Lake, Ohio

Call to Order – Roll Call

The meeting was called to order at 6:30 PM.

Present: Mr. Dzwonczyk, Mr. Berner, Mr. Rickey, Mr. Rush, and Mrs. Schnabel.

Also present: Chief Utilities Executive Danielson, Chief of Utility Operations Eberle, WPCC Manager Baytos, Councilmember Fenderbosch, and Lorain Journal Reporter Keith Reynolds.

Approve Minutes

Chairman Dzwonczyk presented the minutes of the November 15, 2016 Work Session and the November 15, 2016 Regular Meeting and with no changes, additions or corrections noted, ordered the minutes to stand and be distributed as presented.

Public Speakers – None.

Correspondence – Chairman Dzwonczyk noted an email from Lou Hortonson on various observations on the management of the Utility.

Expenditures

Following review of expenses dated December 6, 2016 for funds and amounts as follows, Mr. Rickey moved, Mr. Rush seconded, that all be approved and paid per budget:

Water Fund 701	\$	1,394,702.63
Wastewater Fund 721	\$	510,582.93
MOR Fund 703 ETL1	\$	34,471.82
MOR Fund 762 ETL2	\$	9,800.20
LORCO Fund 749	\$	841,793.64
Water Const 704	\$	921,367.58
Sewer Const 724	\$	923,667.28
Lateral Loan 765	\$	3,500.00

Ayes: Berner, Dzwonczyk, Rickey, Rush, Schnabel

Nays: None

Motion carried.

2017 Budget

As a follow-up to previous discussions, CUE Danielson presented written explanation and supplemental fund breakdowns of necessary appropriations.

Per the information presented, Mr. Berner moved, Mr. Rush seconded, that the following appropriations be made:

Fund 701 Water	
Personnel	\$2,939,000
Other	\$6,863,000
Fund 704 Water Construction	\$20,550,000
Fund 706 Water Debt Service	\$6,000,000
Fund 721 Sewer	
Personnel	\$2,755,000
Other	\$3,452,000
Fund 724 Sewer Construction	\$29,800,000
Fund 725 Trunk Sanitary Sewer	\$14,000
Fund 727 Sewer Debt Service	\$3,212,000
Fund 703 ETL1 MOR	\$2,232,000
Fund 762 ETL2	\$4,621,000
Fund 765 Lateral Loan	\$500,000
Fund 749 LORCO	
Personnel	\$61,000
Other	\$2,476,000

Ayes: Berner, Dzwonczyk, Rickey, Rush, Schnabel

Nays: None

Motion carried.

Note Issuance

Per staff's recommendation and explanation, Mr. Dzwonczyk moved and Mr. Rush seconded to authorize the CUE to work with the Finance Director to continue funding the Moorewood sewer separation project debt with a note. Mr. Dzwonczyk further moved and Mr. Rush further seconded to appropriate \$600,000 to the wastewater fund (721) budget to pay down principal and interest expenses for the note.

Ayes: Berner, Dzwonczyk, Rickey, Rush, Schnabel

Nays: None

Motion carried.

Billor/Bookkeeper I

Following extensive discussions between the Board and staff Mr. Rickey moved and Mr. Berner seconded to set Ms. Gomez' wage at Biller/Bookkeeper I step 1C.

Ayes: Berner, Dzwonczyk, Rickey, Rush

Nays: Schnabel

Motion carried.

Reports/Updates

Future Water Rates: CUE Danielson will present information at the next Board meeting December 20, 2016 to support 4% rate increases in 2017 and 2018 and anticipates a 5% rate increase in 2019 and 2020.

New Bill Processing Service: CUE Danielson worked with the Law Director to negotiate and further signed an agreement with SmartBill of Hebron, OH who will provide bill processing services to Avon Lake Regional Water, which should lead to an annual savings of \$5,000 to \$10,000.

Quality Management: Avon Lake Regional Water is in the midst of a major capital improvement program and soon will have many “new/renewed” facilities it is maintaining. The CUE and senior staff have been implementing and further planning ways to better manage our system, including implementing GIS, investigating asset management, updating organizational structure and job descriptions. In the 2017 budget, money has been allotted to investigate whether independent certification programs such as ISO 9001 would help improve operations and assure our customers that the moneys they pay for service are effectively and efficiently used. CUE Danielson has been investigating what quality management programs other utilities are using and intends to issue a request for qualifications for experts to help with the process in early 2017.

Lateral Loan Program: Since the last Board meeting, four additional agreements for the Lateral Loan Program have been executed, bringing the total to 26 properties, with \$82,000 (total) committed and \$11,250 paid so far.

Chairman/Committee/Members Reports

Chairman Dzwonczyk reported he will be attending a Sewer Committee meeting on Thursday December 8, 2016.

Mr. Rickey reported he will be attending the LORCO meeting on Thursday December 8, 2016.

CUE Report

CUE Danielson reported that all attempts possible were made by staff to alleviate any shut-offs, due to the new billing software.

CUE Danielson also reported our new bill processing service has updated our bills and will have an ACH authorization pre-printed on the stub.

Miscellaneous

None.

Executive Session

Mr. Berner moved, Mr. Rush seconded, to meet in Executive Session as allowed by ORC 121.22 (G) (1) to discuss employee matters and to include the Chief Utilities Executive in the discussion.

Ayes (per rollcall vote): Dzwonczyk, Berner, Rickey, Rush, Schnabel

Nays: None

Motion carried.

The Board reconvened at 8:54 PM

Adjourn

As there was no further business, Mr. Rush moved, Mr. Berner seconded, that the meeting adjourn at 8:54 PM.

Ayes: Berner, Dzwonczyk, Rickey, Rush, Schnabel

Nays: None

Motion carried.

Approved December 20, 2016

John G. Dzwonczyk, Chairman

Todd A. Danielson, Clerk