

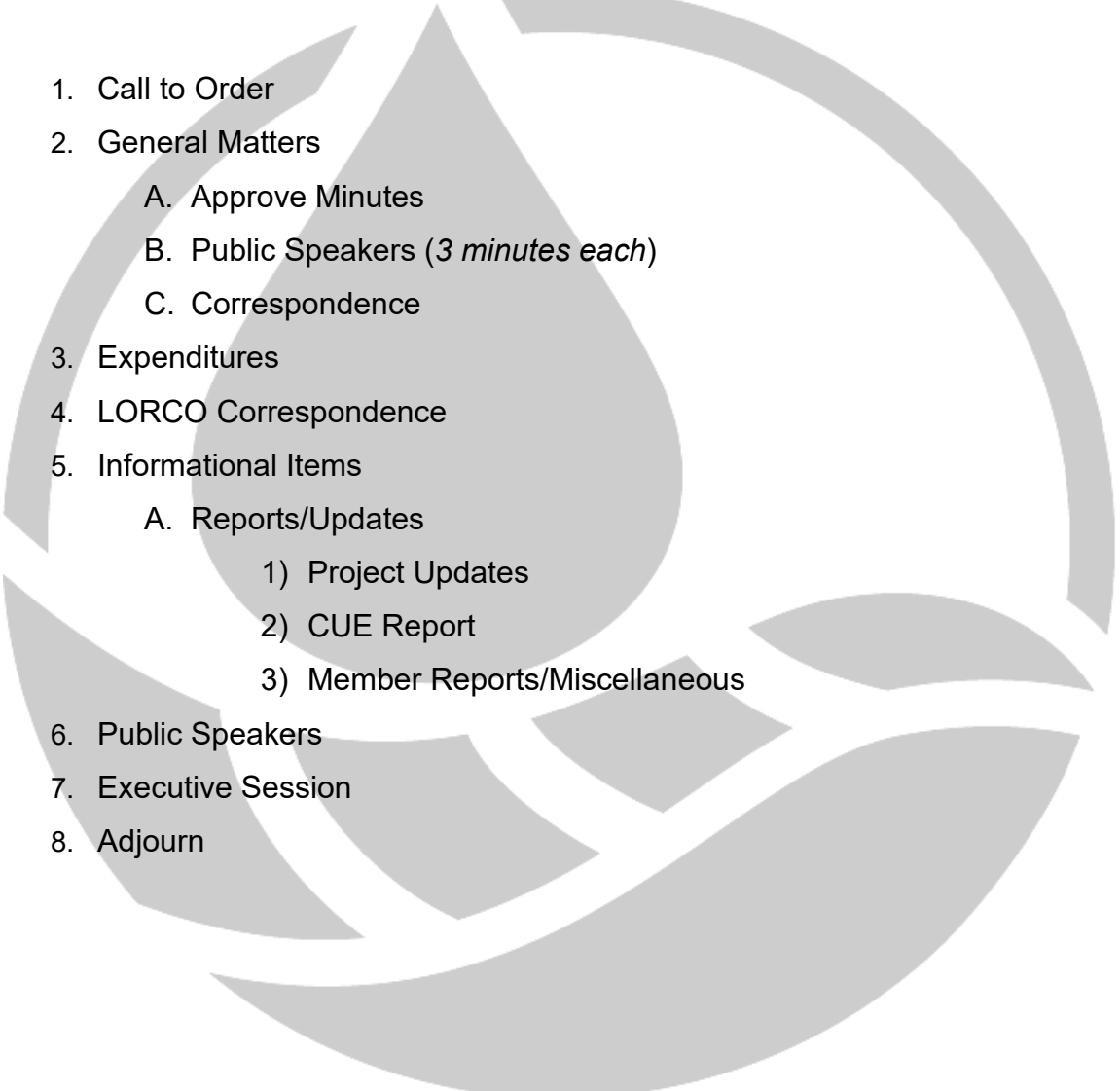
AGENDA

For

Tuesday

January 3, 2023

6:30 PM

- 
1. Call to Order
 2. General Matters
 - A. Approve Minutes
 - B. Public Speakers (*3 minutes each*)
 - C. Correspondence
 3. Expenditures
 4. LORCO Correspondence
 5. Informational Items
 - A. Reports/Updates
 - 1) Project Updates
 - 2) CUE Report
 - 3) Member Reports/Miscellaneous
 6. Public Speakers
 7. Executive Session
 8. Adjourn

Avon Lake Regional Water
MEMORANDUM

To: **Board of Municipal Utilities**
From: **Rob Munro**
Subject: **Agenda Items – January 3, 2023**
Date: **December 30, 2022**

Item 1: **Call to Order**
Item 2A: **Approve Minutes**
Item 2B: **Public Speakers**
Item 2C: **Correspondence**
Item 3: **Expenditures**
Item 4: **LORCO Correspondence – RKM**

The CUE asked representatives from Mansour Gavin to draft a letter to the LORCO Board outlining their financial obligations regarding outstanding debt that is due and owing to Avon Lake Regional Water. The intention of the letter is to formally state the position of Avon Lake Regional Water and the Board but at the same time try to reach an amicable solution. The CUE recommends the Board authorize Mansour Gavin to send correspondence on their behalf.

Recommended Motion:

I move to authorize Mansour Gavin to send correspondence to LORCO regarding contractual obligations outlined in the Cooperative Agreement.

Item 5A1: **Project Updates – GKY**

ETL Design Services: On Tuesday December 27th the CUE received Plan Approval letters from Director Stevenson at Ohio EPA for the ETL suction line and the ETL1 improvements. While both plans were self-certified by Engineering Services Manager Gaydar under the current agreement with Ohio EPA, these are the formal approval letters issued by the Director.

WFP Improvements: HDR is currently working on a draft response to Ohio EPA regarding their comment letter that was received on December 19th. Staff will review and finalize the response letter prior to sending. Staff would like the response letter sent during the week of January 9th.

2022 Water Line Bundle Project: UUI is scheduled to return during the week of January 3rd to complete any remaining work in the project area. Staff will assist the contractor with the installation of two large meter vault tie-ins and meters at the Avient complex. Engineering staff has been in regular contact with Avient staff to coordinate these tie-ins. All remaining restoration work in project areas will take place in the Spring.

Additional Storage Building: The installation of roof insulation and roof panels is underway. This work is approximately 25% complete. The contractor will continue the roof work during the week of January 2nd.

Item 5A2: **CUE Report – RKM**

Item 5A3: **Member Reports/Miscellaneous**

Item 6: **Public Speakers**

Item 7: **Executive Session**

Recommended Motion:

I move to meet in executive session as allowed by ORC §121.22 (G)(3) to discuss pending legal matters and to include the CUE, the CUO, and a representative from Mansour Gavin.

Item 8: **Adjourn**

Board of Municipal Utilities
Meeting Minutes
December 20, 2022
201 Miller Road
Avon Lake, Ohio

Call to Order – Roll Call

The meeting was called to order at 6:30 PM. The meeting was held in-person using web-based video conferencing technology and streamed live over Facebook.

Present: Mr. Abram, Mr. Dzwonczyk, Mr. Rickey, and Mr. Rush.

Also present: CUE Munro, CUO Yuronich, and Attorney Rinker of Mansour Gavin.

Excused: Mrs. Schnabel

Approve Minutes

Mr. Dzwonczyk presented the Minutes of the December 6, 2022 regular meeting. With no additional changes, additions or corrections noted, he ordered that the minutes stand and be distributed as presented.

Public Speakers

None.

Correspondence

None.

Expenditures

Following review of expenses dated December 20, 2022, for funds and amounts as follows, Mr. Abram moved, Mr. Rickey seconded, to approve the expenditures of December 2 through December 15, 2022:

Water Fund 701	\$	242,228.73
Wastewater Fund 721	\$	214,257.25
MOR ETL1 Fund 703	\$	158,912.19
MOR ETL2 Fund 762	\$	339,827.25
LORCO Fund 749	\$	10,004.35
Water Construction Fund 704	\$	733,640.60
Wastewater Construction Fund 724	\$	206,967.75
West Ridge Interconnect Fund 702	\$	363.06

Ayes (per voice vote): Abram, Dzwonczyk, Rickey, and Rush.

Nays: None

Motion carried.

Sale of Property

Mr. Munro said the owners of the Avon Lake Animal Clinic contacted him regarding land owned by Avon Lake Regional Water. The Animal Clinic plans to expand their facilities and would like to purchase approximately 1.66 acres of land from Avon Lake Regional Water. Mr. Munro said that a public bid solicitation was issued for the sale of the property. Sealed bids were opened on December 9, 2022 and there was one bid received from Lake Veterinary Properties, LLC in the amount of \$100,000.

Mr. Dzwonczyk asked how the sale of property is accounted for in the ledger. Mr. Munro said that the proceeds from the sale of property would be received as miscellaneous revenue and evenly allocated to the Water and Wastewater Funds. Mr. Dzwonczyk asked if the sale of this property would adversely impact the utility. Mr. Munro said this surplus property is not currently used and does not see any future use for this small parcel.

Mr. Rush asked if the lot split of this parcel would have any tax implications for the utility. Mr. Munro said that when the lot split is executed with Lorain County, staff will submit the necessary paperwork to ensure the tax-exempt status of the remaining property is maintained.

Mr. Abram asked what the appraised value of the property is. Mr. Munro said the appraisal of the property is \$100,000. Mr. Abram commented that the legal description of the property references that it is a part of the original Avon Township, and that Avon and Avon Lake were once one township.

Mr. Rickey asked what happens to the paper streets that border this parcel. Mr. Munro said that they would remain unless the new owners seek to have them vacated. The vacation process would take place with the new owner and the City of Avon Lake. Mr. Dzwonczyk asked if there was any contingency attached to the sale of the property and the vacation of the paper streets. Mr. Munro said there were not contingencies attached to the sale of this parcel.

Mr. Dzwonczyk asked if the sewage generated by the animal clinic was different from other users. Mr. Munro said it was not different and would be treated in the same manner. Mr. Rickey asked who pays the fees associated with the lot split. Mr. Munro said the bid specifications specifically state that the buyer is responsible for all fees associated with the lot split and re-platting of the parcel.

With no further discussion, Mr. Abram moved, Mr. Rickey seconded, to authorize the CUE to execute a parcel lot-split of certain property from Lorain County Permanent Parcel Number 04-00-006-114-077 as described in the attached legal description.

Ayes (per voice vote): Abram, Dzwonczyk, Rickey, and Rush.
Nays: None
Motion carried.

Mr. Rickey moved, Mr. Abram seconded, to authorize the CUE to execute an agreement with Lake Veterinary Properties, LLC for the purchase of certain property described in the attached legal description.

Ayes (per voice vote): Abram, Dzwonczyk, Rickey, and Rush.
Nays: None
Motion carried.

Minimum Service Fee

Mr. Munro said that the minimum service fee is charged to all customers for water and sewer services to offset fixed costs of the utility. Fixed costs include meters, meter reading, customer billing, and operating supplies. Due to significant increases in operating supplies over the previous year, it is necessary to increase the water minimum service fee.

Mr. Rush asked if the minimum service fee would be applied to customers on a per bill basis, because there are customers who are billed quarterly and monthly. Mr. Munro said that the minimum service fee would apply to customers on a per bill basis whether they were billed quarterly or monthly. Mr. Rush expressed concern in the wording of the proposed motion because it could be interpreted differently.

Mr. Dzwonczyk said that he would like to avoid any ambiguity in the wording of the motion and asked Mr. Rinker to revise the proposed motion to include language specifically addressing quarterly and monthly customers. Mr. Dzwonczyk said that the motion should be made to specifically address the Boards intentions regarding how the minimum service fee is charged.

As requested, Mr. Rinker provided the language for the motion and Mr. Rush moved, and Mr. Abram seconded, to set the minimum service fee for water usage at \$6.38 per bill, and to include the first 2,000 gallons of consumption, effective January 1, 2023 with the understanding that residential billing is quarterly and non-residential billing is monthly.

Ayes (per voice vote): Abram, Dzwonczyk, Rickey, and Rush.

Nays: None

Motion carried.

Project Updates

Mr. Dzwonczyk asked Mr. Yuronich to update the Board on staff efforts to counteract frazil ice at the Water Filtration Plant. Mr. Yuronich explained that frazil ice forms when the surface water temperature reaches 32° Fahrenheit or below and mixes with very cold ambient air temperature. Changes in water current or velocity can create sharp needle ice formations in the consistency of slush. This slush-type ice can form at the opening of the intake pipe and can cause it to become obstructed. Mr. Yuronich said the current Lake Erie water temperature is holding steady around 37° Fahrenheit and is not conducive to forming frazil ice even with the upcoming single digit air temperatures. Staff continually monitors well levels at the plant and confirms the air-burst system on the intake pipe is operating as intended. As the ambient air temperature continues to get colder and the water temperature gets closer to 32° Fahrenheit the air-burst system will activate more frequently to prevent ice buildup at the intake.

Mr. Rush asked what type of notifications are in place to contact outside agencies if the situation warrants. Mr. Yuronich said the contingency plan includes notifications to the necessary emergency services in our area and to vendors that would provide emergency pumping equipment. All contact information is routinely confirmed and updated as necessary. Mr. Yuronich said that the investments in infrastructure over the past several years has provided the utility with additional storage capacity in the event of an emergency. The West Ridge pump station is also available to provide water in an emergency.

ETL Design Services: No update.

WFP Improvements: Mr. Yuronich said that Mr. Munro recently discussed the status of the plant upgrade submittal with Amy Jo Klei from Ohio EPA. Ohio EPA provided official comments to staff on December 16, 2022. Mr. Yuronich scheduled a phone call with representatives from HDR to discuss the comment letter and prepare a response. Most comments are easily addressable and a response to all points is forthcoming.

Mr. Yuronich said one of the comments made by Ohio EPA would require the utility to start the corrosion control monitoring over and would also require a corrosion control study to be completed again. Staff feels this is unnecessary because orthophosphate is continually fed in the system to inhibit corrosion. Mr. Yuronich said that HDR and staff will provide more information to Ohio EPA on this subject to further support our position.

2022 Water Line Bundle Project: Mr. Yuronich said the valve work and water tie-in to Village at Powdermaker Creek and the easternmost water tie-in to the Avient property was completed on December 19, 2022. There are two remaining large water connections and the tie-in to Avondale that will take place after the holidays. The connections of the new water main at the east and west ends of the Walker Rd. project area will also take place in January.

Additional Storage Building: Mr. Yuronich said the steel building structural frame has been erected and the detail iron work is ongoing. The sky netting is being installed in preparation for the insulation and the roof and wall panel installation will begin the week of December 19, 2022.

Mr. Abram asked what the dimensions of the building are. Mr. Munro said the building is 60 feet wide by 170 feet long.

CUE Report

Mr. Munro said that he received notification from Senator Sherrod Brown's office regarding the ETL project funding that was requested earlier in the year. He said that the project was selected for funding but at this point a final amount has not been finalized. Mr. Munro said that he applied for \$17.5 million of Congressionally Directed Spending funds that are allocated among all Congressional districts. Mr. Dzwonczyk said that this money would help defray costs for the bulk water customers. Mr. Rickey asked if this funding was a grant award or a loan. Mr. Munro confirmed that this funding would be in the form of a grant.

Miscellaneous & Member Reports

Mr. Abram said there are recent news reports that the City of Lorain is planning to build a new Water Filtration Plant. He suggested Mr. Munro should approach the City of Lorain about purchasing water from Avon Lake Regional Water instead of building a new water plant.

Mr. Dzwonczyk reported that he recently visited the former power plant site with Mr. Yuronich and Mr. Kimevski. He feels that the demolition activities are continuing in a positive manner, and everything appears to be in order.

Public Speakers

Councilman Spaetzel wished members of the Board and staff of Avon Lake Regional Water a safe and happy holiday season.

Executive Session

Mr. Munro requested an executive session to discuss the purchase and/or sale of property and pending legal matters.

Mr. Rush moved, Mr. Dzwonczyk seconded, to meet in executive session as allowed by ORC §121.22 (G)(2) and (G)(3) to discuss the purchase and/or sale of property and pending legal matters and to include the CUE, the CUO, and a representative from Mansour Gavin.

Ayes (per roll-call vote): Abram, Dzwonczyk, Rickey, and Rush.

Nays: None

Motion carried.

The Board reconvened at 8:17 PM

Adjourn

As there was no further business, Mr. Abram moved to adjourn, and Mr. Rush seconded. The meeting adjourned at 8:17 PM.

Ayes (per voice vote): Abram, Dzwonczyk, Rickey, and Rush.

Nays: None

Motion carried.

Approved January 3, 2023.

John Dzwonczyk, Chairman

Robert Munro, Clerk

**AVON LAKE REGIONAL WATER
FUND 701 - WATER
DECEMBER 16 - DECEMBER 29, 2022
JANUARY 3, 2023**

	Vendor	Amount	Description	G/L Acct	G/L Sum	YTD Transactions	Budget	% of Budget Remaining
1	Water Employees	\$ 57,457.55	Salaries PR Post BW 2202226	51102	\$ 57,457.55	\$ 1,540,794.10	\$ 2,049,507.00	24.82%
2	Water Employees	\$ 1,056.38	Overtime Wages Plant PR Post BW 2202226	51106.101				
3	Water Employees	\$ 999.55	Overtime Wages Dist/Col PR Post BW 2202226	51106.102				
4	Water Employees	\$ 415.96	Overtime Wages Admin PR Post BW 2202226	51106.103				
5	Water Employees	\$ 530.11	Overtime Wages Construction PR Post BW 2202226	51106.104				
6	Water Employees	\$ 375.05	Overtime Wages Office PR Post BW 2202226	51106.105	\$ 3,377.05	\$ 110,852.47	\$ 113,157.00	2.04%
7	Water Employees	\$ 2,153.34	Employee Time Buy Back PR Post BW 2202226	52115	\$ 2,153.34	\$ 62,545.69	\$ 138,600.00	54.87%
8	Water Employees	\$ (1,382.79)	Hospitalization PR Post BW 2202226	52203	\$ (1,382.79)	\$ 355,633.13	\$ 543,779.00	34.60%
9	Ohio Public Employees Retirement System	\$ 8,769.35	OPERS - EMPLOYEE - OPERS Pension - Employee Share*	52209	\$ 8,769.35	\$ 239,839.47	\$ 296,176.00	19.02%
10	Internal Revenue Service	\$ 882.49	Medicare - FEDERAL - Federal Taxes*	52212	\$ 882.49	\$ 25,095.14	\$ 32,250.00	22.19%
		\$ 71,256.99			\$ 71,256.99			

**FUND 721 - WASTEWATER
DECEMBER 16 - DECEMBER 29, 2022
JANUARY 3, 2023**

	Vendor	Amount	Description	G/L Acct	G/L Sum	YTD Transactions	Budget	% of Budget Remaining
1	Wastewater Employees	\$ 61,838.64	Salaries PR Post BW 2202226	51102	\$ 61,838.64	\$ 1,628,971.63	\$ 1,564,595.00	-4.11%
2	Wastewater Employees	\$ 943.55	Overtime Wages Plant PR Post BW 2202226	51106.101				
3	Wastewater Employees	\$ 999.51	Overtime Wages Dist/Col PR Post BW 2202226	51106.102				
4	Wastewater Employees	\$ 415.96	Overtime Wages Admin PR Post BW 2202226	51106.103				
5	Wastewater Employees	\$ 530.10	Overtime Wages Construction PR Post BW 2202226	51106.104				
6	Wastewater Employees	\$ 125.01	Overtime Wages Office PR Post BW 2202226	51106.105	\$ 3,014.13	\$ 129,372.59	\$ 125,727.00	-2.90%
7	Wastewater Employees	\$ 3,531.78	Employee Time Buy Back PR Post BW 2202226	52115	\$ 3,531.78	\$ 61,030.85	\$ 72,341.00	15.63%
8	Wastewater Employees	\$ 88.72	MMO Share Payment-week ending 12/16/2022	52203				
9	Wastewater Employees	\$ 191.00	MMO HRA Payment-week ending 12/16/2022	52203				
10	Wastewater Employees	\$ (1,710.59)	HospitalizationPR Post BW 2202226	52203	\$ (1,430.87)	\$ 423,975.90	\$ 493,892.00	14.16%
11	Ohio Public Employees Retirement System	\$ 9,524.78	OPERS - EMPLOYEE - OPERS Pension - Employee Share*	52209	\$ 9,524.78	\$ 260,940.81	\$ 237,129.00	-10.04%
12	Internal Revenue Service	\$ 953.36	Medicare - FEDERAL - Federal Taxes*	52212	\$ 953.36	\$ 27,252.51	\$ 24,788.00	-9.94%
		\$ 77,431.82			\$ 77,431.82			