

Board of Municipal Utilities
Meeting Minutes
January 15, 2019
201 Miller Road
Avon Lake, Ohio

Call to Order – Roll Call

The meeting was called to order at 6:53 PM.

Present: Mr. Abram, Mr. Dzwonczyk, Mr. Phillips, Mr. Rush, and Mrs. Schnabel.

Also present: Mayor Zilka, Councilwoman Jennifer Fenderbosch, CUE Danielson, CUO Munro, Community Outreach Specialist Arnold, and Technical Support Specialist Collins.

Approve Minutes

Chairman Dzwonczyk presented the minutes of the January 2, 2019 regular meeting. With no changes, additions or corrections noted, he ordered that the minutes stand and be distributed as presented.

Public Speakers

No Public Speakers

Correspondence

No Correspondence

Expenditures

Following review and a brief discussion of expenses dated January 15, 2019, for funds and amounts as follows, Mr. Abram moved, Mr. Rush seconded, that all be approved and paid per budget:

| | | |
|-----------------------------|----|------------|
| Water Fund 701 | \$ | 271,976.08 |
| Wastewater Fund 721 | \$ | 166,911.36 |
| MOR Fund 703 | \$ | 207,832.13 |
| MOR Fund 762 | \$ | 396,907.23 |
| LORCO Fund 749 | \$ | 3,565.44 |
| Lateral Loan Fund 765 | \$ | 8,000.00 |
| Water Construction Fund 704 | \$ | 228,724.00 |
| Sewer Construction Fund 724 | \$ | 69,211.00 |

Ayes: Abram, Dzwonczyk, Phillips, Rush, and Schnabel

Nays: None

Motion carried.

LORCO Fourth Amendment

The CUE brought forward an amendment to the current contract with LORCO. In response to LORCO's request to lower the monthly payment to them for operating expenses, the LORCO Board approved an amendment to the contract. The amendment reduces the monthly payment to them from \$10,000 to \$8,500 effective January 2019. The CUE requested authorization to execute the agreement. Mr. Rush moved, Mr. Phillips seconded, to authorize the CUE to execute on behalf of the Board, the Fourth Amendment to the LORCO Cooperative Agreement.

Ayes: Abram, Dzwonczyk, Phillips, Rush, and Schnabel

Nays: None

Motion carried.

Cleveland Construction Cost Index

The CUE explained that the Cleveland Construction Cost Index (CCCI) has changed 1.94% this past year. As per policy and regulation, various fees will automatically be increased by the change in the CCCI.

The following are the adjusted 2019 fees:

| | 2018 Cost | 2019 Cost |
|-------------------------------------|------------------|------------------|
| Trunk Sanitary Sewer Fee | \$2,057.13 | \$2,096.98 |
| Trunk Sanitary Square Foot Charge | \$13.72 | \$13.99 |
| 8" Sanitary Sewer Front Foot Charge | \$72.36 | \$73.76 |
| CALDP Tap in Fee | \$10,847.91 | \$11,058.05 |
| Commercial Square Foot Charge | \$69.63 | \$70.98 |

St. Jude Dream Home Sponsorship

The CUE informed the Board that with the update to the CCCI, the equivalent value of the sponsorship of the St. Jude Dream Home has been updated to \$5,451.00 for the connection fees.

Residuals RFQ

The CUO explained to the Board that Avon Lake Regional Water is continuing to look for ways to reduce cost and waste over time. To assist in this effort, seven firms submitted qualifications for the upcoming residuals master plan. Staff reviewed qualifications, ranked them, will interview top-ranked firms, and then select the top firm to negotiate scope and budget. The CUE will request the Board's authorization to execute an agreement during one of the February meetings.

Capacity/Redundancy RFQ

The CUE informed the Board, that on January 7th, staff issued a request for qualifications for firms interested in partnering with Avon Lake Regional Water to help assess the condition of the treatment and transmission system and provide guidance regarding future capacity and redundancy. Qualifications are currently due February 8th, and staff intends to request from the Board during one of the March meetings authorization to execute an agreement and proceed.

Technical Support Specialist

The CUE has met with the Human Resources Committee and the Civil Service Commission regarding the job description for the Technical Support Specialist. The HR Committee supports the job description and the salary range. The CUE met with the Civil Service Commission on January 7 regarding the classification of the position. An additional meeting is set for January 30, 2019, to finish the discussion and act upon whether they deem it a classified or unclassified position. Once these items are resolved, the CUE intends to request the Board approve the job description and salary range.

Electricity Contract

The CUE entered into a “block & index” electricity contract with Engie a number of years ago. With this type of contract, the CUE buys “blocks” of electricity, with usage over and above the blocks purchased at the “index” rate. Avon Lake Regional Water historically uses between 1.3 MW and 2.0 MW of power, and the CUE buys a baseline of 0.5 MW during the 16 peak hours of weekdays and hedges with an additional 0.5 MW block during the highest demand times of the year (January – February/March and July – September). Due to previously unfavorable pricing, the CUE had not purchased an additional block for this winter. However, pricing recently decreased, and the CUE purchased the 0.5 MW hedge for February – March for \$41.30/MW. This method of purchasing power has resulted in a \$350,000 savings since June 2016, which is equivalent to a savings of approximately 0.8 ¢/kWh. The CUE also informed the Board that this savings can be attributed to the assistance that Brakey Energy has provided.

Project Updates

45 Project: The CUE explained that sanitary work continues on Forest and it is estimated that there will be approximately 3 weeks of sanitary work on that street remaining. Lateral work continues on Lakewood, and it is estimated that there are 8 weeks of lateral work remaining on this street. Two crews are currently working on the project.

Elyria Interconnection Project: An updated construction schedule was received on January 9th. A flushing of the lines and a bacteria sampling will take place the week of January 14th, and a startup of the new system is scheduled for the week of February 4th.

Lateral Updates

As of Friday, January 11, 2019:

- No inspections
 - Group A: 0
 - Group B & C: 34
- Work to complete
 - Group A: 126
 - Group B & C: 230

CUE/CUO Report and Action Items

The CUO informed the Board that lighting will be put outside to illuminate the sign at 201 Miller Rd. The CUO also stated that the water tower will be illuminated through in-house collaboration between maintenance and the Engineering Services Manager.

Member Reports

None.

Miscellaneous

Mr. Abram asked the CUE about the Avondale sewer, and whether it would be shorter to construct the line north to the Lake Road sewer or south to the Walker Road sewer during the upcoming separation. The CUE informed Mr. Abram that the Engineering Service Manager considered both north and south and determined that south was the more cost-effective route.

Executive Session

The CUE requested that the Board move into an executive session to discuss employment and compensation. Mr. Rush moved, Mr. Abram seconded, to meet in executive session as allowed by OCR 121.22 (G) (1) to discuss employment and compensation of public employees and to include CUE Danielson and CUO Munro.

Ayes: Abram, Dzwonczyk, Phillips, Rush, and Schnabel

Nays: None

Motion carried.

The Board reconvened at 8:18 PM.

Adjourn

As there was no further business, Mr. Rush moved, Mr. Abram seconded, that the meeting adjourn at 8:19 PM.

Ayes: Abram, Dzwonczyk, Phillips, Rush, and Schnabel

Nays: None

Motion carried.

Approved _____, 2019.

John Dzwonczyk, Chairman

Todd A. Danielson, Clerk