

Board of Municipal Utilities  
**Meeting Minutes**  
**March 19, 2024**  
201 Miller Road  
Avon Lake, Ohio

***Call to Order – Roll Call***

The meeting was called to order at 7:10 PM following the conclusion of the Work Session. The meeting was held in-person using web-based video conferencing technology and streamed live to Facebook and YouTube.

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

Also present: CUE Munro, CUO Yuronich, Business and Financial Coordinator Logan, Attorney Anthony Coyne of Mansour Gavin and City of Avon Lake Councilwomen Fenderbosch and Gentry.

***Approve Minutes***

Mr. Dzwonczyk presented the Minutes of the March 5, 2024 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 for funds and amounts as follows, Mr. Abram moved, Mr. Rickey seconded, to approve the expenditures of March 1 through March 14, 2024:

Water Fund 701	\$	200,420.66
Wastewater Fund 721	\$	188,299.41
ETL1 Fund 703	\$	151,307.92
ETL2 Fund 762	\$	370,837.64
LORCO Fund 749	\$	6,121.60
Water Construction Fund 704	\$	13,649.80
Wastewater Construction Fund 724	\$	13,649.80

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

Nays: None

Motion carried.

***OWDA Loan***

Mr. Munro informed the Board that the 2024 WFP Improvement Project was awarded funding by the OWDA, the Ohio Water Development Authority, at their February 29, 2024 meeting. Mr. Munro stated that with contingencies the total award was a little over thirty-two million dollars.

Mr. Munro further elaborated that there were actually two separate awards to cover the project and that while it was awarded by one agency, it was from two separate funds. Mr. Munro stated that one award was for \$25 million at 3.56% interest rate with the balance of the loan at a 4.07% interest rate. Mr. Munro added that due to past loans through OWDA where ALRW has made on-time payments we were able to receive a discount on the \$25 million loan. Mr. Munro also added that payments on these loans will begin one year after the project is completed and ALRW will not begin paying on these until July of 2027. Mr. Munro stated that this timing will see two other loans closed out prior to beginning payments on these loans and that the net increase in our overall debt service will be very minimal.

Mr. Rush inquired if there was a reason why they only awarded the \$25 million at the lower interest rate. Mr. Munro responded that it is due to OWDA policy where they cap the discount to \$25 million and that they had called and asked him if he were agreeable to having two separate loans so that some of the award could be discounted.

Mr. Rush also inquired about how much GO (general obligation) debt that ALRW currently has. Mr. Munro deferred to Mr. Logan and he responded that there is approximately \$8.2 million dollars of debt payments due each year and that a very small amount of that is GO debt. Mr. Munro added that ALRW falls way below the average amount of debt that utilities in Ohio carry and stated that he is pleased with the organization's debt-to-income ratio.

### ***Annual Step Increases***

Mr. Munro informed the Board that per the Collective Bargaining Agreement, annual wage step increases are awarded to employees at the recommendation of their supervisors and become effective April 1<sup>st</sup> of each year. Mr. Munro stated that effective April 1, 2024, the following employees will see a step increase:

Heather Barnes, Cust. Serv. Rep. -	Step 5 to Step 6
Tim Bradley, Line Maint. Operator -	Step 5 to Step 6
Michael Clough, Plant Operator – WRF -	Step 6 to Step 7
Kameron Kuhl, Maint. Technician -	Step 6 to Step 7
Robin Liepold, Lab Chief Analyst -	Step 2 to Step 3
Vince Petrucelli, Maint. Technician -	Step 6 to Step 7
Rebecca Robertson, Cus. Svc. Rep. -	Step 6 to Step 7
Adam Schultz, Line Maint. Technician -	Step 1 to Step 2

### ***Concrete Supply Bid***

Mr. Yuronich informed the Board that each year the Engineering Services Department takes bids for all of the concrete and related supplies for any projects and that those have been received. Mr. Yuronich stated that bids were submitted from two suppliers and there is a recommended motion for the Board's consideration.

Mr. Dzwonczyk inquired what the percentage increase from the previous year's bids were. Mr. Munro stated that two years ago there was a bid of \$125/yard for the 4000psi, air-entrained

concrete and that it's increased about twenty percent since then. Mr. Munro added that when the concrete was poured for the additional storage building the concrete finishers working on that project were surprised by how low of a price ALRW was paying for concrete at that time. Mr. Munro stated that is a testament to the advantages of competitively bidding these materials and that there is money budgeted for the concrete work needed to finish the area behind that structure.

Mr. Rush inquired if Item 1E, Concrete, 4000psi, Non-Air-Entrained, Blend Stone, was crossed off before or after the bidding. Mr. Munro stated that it was crossed off ahead of time because that is not used in any of the projects and ALRW will not have a need for that material.

Mr. Rickey stated that given the fact that bids were all within a couple of dollars of each other that he feels ALRW is getting fair pricing on all of these materials.

Mr. Rush stated that he appreciates that staff is utilizing both vendors for the various mixtures so that we are always getting the best price. Mr. Munro added that there were situations where the awarded vendor had already committed to large pours and was unable to supply the material when needed and that there is language in the contracts that allow ALRW to utilize either company so as not to delay projects.

Mr. Dzwonczyk stated that he is grateful for Mr. Gaydar's detailed bidding.

Mrs. Schnabel moved, Mr. Rickey seconded, to authorize the CUE to execute contracts with Westview Concrete and Terminal Ready Mix, Inc. for the supply and delivery of concrete per the engineer's certified bid tabulation as presented.

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

Nays: None

Motion carried.

### ***Project Updates***

***Power Plant Update:*** Mr. Yuronich stated that demolition continues on the north side of Lake Rd. and that the next significant milestone is the implosion of one of the larger smoke stacks and that is going to be in the early to middle of May. Mr. Yuronich informed the Board that ALERG will be in contact with ALRW staff as the date is finalized so that this organization is aware of these activities.

Mr. Yuronich informed the Board that he had researched a question from an earlier meeting regarding what happens when demolition reaches an area that may have asbestos that was not completely remediated such as when the double-walled boiler structures are demoed. Mr. Yuronich stated that ALERG utilizes a third-party asbestos remediation company and that included in that contract was a line-item that allows for further testing and removal of questionable material. Mr. Yuronich stated that when an area of concern is discovered that company is brought back in to isolate, test and if needed, further remediate any asbestos. Mr. Yuronich also added that the Ohio EPA has made nine surprise inspections and has yet to come across anything that was of concern with the work that has been taking place and to date approximately twenty-seven hundred pounds of asbestos contaminated material has been properly removed and disposed of appropriately.

***ETL Design Services:*** Mr. Yuronich stated that the final version of the re-design for the 42-inch suction line is being completed by the Engineering Services staff. Mr. Yuronich stated that the negotiations with Railpros, the company that handles easements for Norfolk-Southern, had reached a stalemate and that staff does not want to delay the project any longer. Mr. Yuronich

informed the Board that Railpros would not budge from requiring \$80,000 for a twenty-year easement. Mr. Yuronich stated that Railpros would then require a non-negotiable renewal when the twenty years was up and that staff did not feel comfortable committing to this. Mr. Yuronich informed the Board that if the staff re-routes the suction line to cross at Miller Rd. in the public right-of-way it would only require a one-time fee of \$1800 to acquire a perpetual easement. Mr. Yuronich added that while there will be additional material costs associated with the redesign, staff feels that there will be a return-on-investment from choosing this option in a short amount of time. Mr. Yuronich stated that once the redesign is complete staff will begin working on any additional easements that will be needed along this route.

*WFP Improvements:* Mr. Yuronich informed the Board that with the funding secured for this project, the contract with Great Lakes Construction has been executed and staff is waiting on the return of the signed contract documents from Lycoming Supply. Mr. Yuronich stated that a notice-to-proceed document will be issued to Great Lakes Construction at the pre-construction meeting to be held on April 3, 2024.

*Additional Storage Building:* Mr. Yuronich stated that there was a punch list of five minor items for North Bay Construction and that a couple of those were completed earlier in the day. Mr. Yuronich added that SecuriTec was onsite finishing the final connections to the access control and it was anticipated that this project will be closed out at the April 2, 2024 Board meeting.

Mr. Dzwonczyk inquired if any vehicles had been washed yet and Mr. Munro stated that vehicles have been washed utilizing this equipment, but in a manual-mode. Mr. Munro also added that part of SecuriTec's work included the two-tiered pedestal that would allow drivers of any size vehicle to swipe their access cards from within the vehicle. Mr. Dzwonczyk asked staff to provide a video at the next meeting showing one of our vehicles being washed.

*Inductively Coupled Plasma Mass Spectrometer (ICP):* Mr. Yuronich stated that the WFP lab has begun being the sole tester of the wastewater and industrial samples. Mr. Yuronich stated that staff was comfortable with their ability to get consistent and accurate results compared to the third-party parallel testing that they had been performing and will no longer be sending these types of samples to an additional lab for confirmation. Mr. Yuronich informed the Board that the next step will be completing their initial display of competencies (IDOCs) that are required by the Ohio EPA prior to applying for certification to test drinking water. Mr. Yuronich stated that staff anticipates sending these IDOCs to the Ohio EPA by the beginning of April and scheduling their certification tests after the IDOCs have been accepted. Mr. Yuronich reiterated that staff is confident that this will proceed more quickly than the wastewater and industrial samples due to drinking water having much less variability in its composition.

Mr. Rickey inquired how long the ICP unit would serve the organization. Mr. Yuronich stated that ten to fifteen years is the typical life-span for this type of equipment. Mr. Rickey also inquired if ALRW staff would have to go through the same process at that time. Mr. Yuronich stated that it was such a lengthy process this time because staff had previously been certified on an atomic absorption analyzer and that the ICP utilizes a completely different process. Mr. Yuronich stated that if another ICP was purchased to replace the current one staff would not have to undertake recertification.

Mr. Rickey asked if ALRW performs any testing for other organizations. Mr. Yuronich stated that many of the bulk customers will bring their samples to the ALRW WFP for tests that the lab is certified to run. Mr. Yuronich added that all of the bulk customers will be bringing their lead and copper samples to ALRW for analysis which are tests that are specific to this piece of equipment.

*SCADA Communications Upgrade:* Mr. Yuronich stated that the fiber optic converters have been ordered to replace the units that had caused the failure. Mr. Yuronich informed the Board that staff has been working with both SOS and TMS to develop a complete overhaul of the SCADA system to detail additional upgrades that could increase the reliability of the system moving forward. Mr. Yuronich stated that once a plan has been fully developed staff will present this plan to the Board at a future meeting.

### ***CUE/CUO Report***

Mr. Munro reported on the contract with Lycoming Supply for the demolition work at the WFP. Mr. Munro stated that the owner had reached out to ALRW to state that they had not included the disposal of any hazardous materials in their bid nor could they provide a price for this work. Mr. Munro stated that there are areas of the WFP that include asbestos that will need to be remediated. Mr. Munro added that this work will not slow the improvements because the demolition work is contingent upon completion of the improvements before it can begin. Mr. Munro stated that staff plans to rebid the demolition. Mr. Yuronich stated that several areas of the demolition have already had a full hazardous materials assessment but there is one area that needs additional work. Mr. Munro informed the Board that once this assessment has been completed staff will rebid this portion of the project and also add the demolition of the Division Rd. water tower that needs to come down also to the scope of the demolition. Mr. Munro reiterated that this will not in any way slow the completion of the improvements portion of the project at the WFP. Mr. Munro stated that staff has already reached out to a company that performs this sort of work along with performing special inspections that will be needed for the rest of the improvement project such as concrete testing.

Mr. Dzwonczyk inquired if it made sense to reach out to the company that has been doing the asbestos abatement at the power plant site. Mr. Munro stated that this was definitely a possibility.

Mr. Rickey inquired if this would affect the financing that was already procured. Mr. Munro stated that money is only dispersed when work is completed so staff could simply mark the demolition work as "non-performed" and those funds would not be included in the loan amount. Mr. Munro also stated that the total cost of the demolition may not even have to be financed.

Mr. Munro informed the Board that there were several alternate bid items that were included in the bid documents that ultimately did not receive any bids. Mr. Munro stated that there were a couple of these bid items that were deemed high-priority bids such as the sealing and recoating of the clearwells and settling basins. Mr. Munro added that this was a project that staff had bid out a few years ago but the bids had come in well above the engineer's estimate and were not awarded at that time so the decision was made to add them to this project as alternate bid items. Mr. Munro stated that while they were included in this bid package no bids were received and that staff had inquired why that was. Mr. Munro stated that a representative from Great Lakes Construction had informed staff that they have a company policy not to bid on alternate bid items due to company policy. Mr. Munro stated that Great Lakes Construction had previously bid on a very large project including several alternate bid items and was only awarded a \$50,000 surveying alternate bid at that time so their policy allows them to bid on the base project only. Mr. Munro stated that staff has spoken with Great Lakes Construction about these alternate bids and have provide proposals for performing this additional work. Mr. Munro stated that the proposals were very much in line with the engineer's estimates and that these can be covered under the contingencies in the funding award as change-orders.

Mr. Munro informed the Board that part of the upgrades to the SCADA system at the WFP include constructing a dedicated server room to house all of the equipment. Mr. Munro stated

that some of the equipment is currently located in close proximity to the filters which allow the chlorine fumes to come into contact with the server hardware and is causing corrosion. Mr. Munro stated that this new server room will provide a dedicated HVAC that will prevent further degradation and provide complete isolation from adverse conditions.

Mr. Munro stated that at the March 11, 2024 Avon Lake City Council meeting the purchase of the coal pile property had its third reading and was unanimously approved by a 7-0 vote. Mr. Munro added that the property purchase agreement was fully executed on March 13, 2024 and this officially starts the ninety-day due diligence period. Mr. Munro stated that staff had previously been granted access to the property to begin additional sampling of the soils and that initial results have yet to reveal any unexpected results. Mr. Munro also added that he and Mr. Yuronich had met with Councilman Shamir the previous day to discuss concerns that he had along with providing some additional information that he had requested. Mr. Munro stated that according to the environmental consultant that was hired by ALRW, Verdantas, there have not been any concerns raised about the manner in which ALERG or ALRW is proceeding with the due diligence on the property purchase and that all results are showing that the process should proceed.

Mr. Munro informed the Board that Councilman Shamir had reached out to the OEPA regarding his concerns with the power plant property. Mr. Munro stated that he and Mr. Yuronich had been contacted by the OEPA and that the discussion with the OEPA was very productive and they did not see any concerns that had not already been addressed and are comfortable with the work that has been performed. Mr. Munro added that the OEPA mentioned that as with past dealings with ALRW they are comfortable with the manner in which we are proceeding. Mr. Munro stated that as we proceed and begin receiving additional data and the preliminary risk assessment back from Verdantas staff will present that to the Board.

Mr. Rickey inquired if we were still on schedule for this purchase and Mr. Munro stated that it was.

Mr. Dzwonczyk thanked Avon Lake City Council for approving this purchase in a timely manner to keep the project moving forward. Mr. Dzwonczyk also inquired if the Ohio EPA's visits to the power plant for asbestos related to the conversation that took place with the OEPA earlier in the day. Mr. Munro replied that the asbestos monitoring would have had OEPA staff from the Division of Air Quality while the staff members he and Mr. Yuronich had spoken with had been with the Division of Surface Water. Mr. Munro added that Mr. Gomes from the OEPA whom staff had spoken with earlier was involved with previous surveys of the WRF and was very familiar with the manner in which ALRW conducts itself and reiterated that the OEPA did not have concerns with how ALRW was proceeding with the property purchase.

Mr. Dzwonczyk inquired if there would be a sign-off from the OEPA in the manner of the storm water run-off. Mr. Munro stated that because the OEPA had already deemed the site void of industrial activity, they defer decisions on that to the local government and would have no further comments on the manner from them. Mr. Munro added that the City of Avon Lake had hired Brown and Caldwell to act as the City's engineers. Mr. Munro stated that Mr. Howard had a conflict of interest because Brown and Caldwell had prepared the storm water report for the power plant along with designing the tie-in for ALERG. Mr. Munro continued by stating that the former mayor, Mayor Zilka, had reached out to ALRW and asked if our engineer, Mr. Gaydar would review the plans for the City of Avon Lake and Mr. Munro had told him that he would. Mr. Munro also stated that our Engineering Services Department had overseen the construction of this work to prevent a conflict of interest and Mr. Gaydar had ensured that the plans were

followed. Mr. Munro stated again that the OEPA was comfortable with the work and had no issues or concerns.

Mr. Munro informed the Board that last week that he and others had met with Jim Zimenik, the director of the Lorain County Metroparks, regarding the ALRW purchase of property and the continued interest of installing a multi-purpose trail leading all the way to Lake Erie. Mr. Munro stated that it was a good meeting and they are very excited about working together.

### ***Miscellaneous & Member Reports***

Mr. Abram stated that he had attended the LORCO meeting and that the Eaton Crossing subdivision, located off of Route 82 behind the IGA store, had sold its last home in the first phase. Mr. Abram stated that phase 2 would now begin, consists of 45 homes, and is expected to be completed later this year. Mr. Abram stated the Ryan Homes is the developer and phase 3 is entering the design phase.

Mr. Dzwonczyk inquired how many homes are in the third phase. Mr. Abram estimated about another fifty homes which would bring the entire development to two hundred and twenty-five homes.

Mr. Dzwonczyk inquired how many taps total are now installed in the LORCO system. Mr. Munro stated that the additional two hundred or so taps would bring LORCO up to around 1600 taps. Mr. Dzwonczyk replied that the system should be getting closer to profitability and Mr. Munro confirmed that they are getting closer.

Mr. Dzwonczyk stated that he had attended the meeting with Mr. Zimenik of the Lorain County Metroparks and felt it was a very positive meeting and that there appeared to be a lot of excitement related to the future plans.

### ***Public Speakers***

None.

### ***Executive Session***

Mr. Rush moved, Mr. Abram seconded, to meet in executive session as allowed by ORC §121.22 (G)(1), (G)(2) and (G)(3) to discuss the purchase and/or sale of property for public purposes, and pending or imminent court actions and to include the CUE, the CUO, the Business and Financial Coordinator and a representative from Mansour Gavin.

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

Nays: None

Motion carried.

The Board entered Executive Session at 8:00 PM

The Board reconvened at 8:44 PM

***Adjourn***

As there was no further business, Mr. Abram moved, and Mr. Rickey seconded, to adjourn. The meeting adjourned at 8:44 PM.

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

Nays: None

Motion carried.

Approved April 2, 2024.

John Dzwonczyk, Chairman

Robert Munro, Clerk