

Board of Municipal Utilities
Regular Meeting Minutes
May 16, 2017
201 Miller Road
Avon Lake, Ohio

Call to Order – Roll Call

The meeting was called to order at 6:47 PM.

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

Excused: Mr. Phillips.

Also present: Chief Utilities Executive Danielson, Councilmember Fenderbosch (left at 7:14 PM), Mayor Zilka (left at 7:14 PM), Nicole Huerner, and Cheryl Arnold.

Approve Minutes

Chairman Dzwonczyk presented the minutes of the May 2, 2017, Work Session and the May 2, 2017, Regular Meeting and with no changes, additions or corrections noted, ordered the minutes to stand and be distributed as presented.

Public Speakers – None.

Correspondence – None.

Expenditures

Following review of expenses dated May 16, 2017, for funds and amounts as follows, Mr. Rush moved, Mrs. Schnabel seconded, that all be approved and paid per budget:

Water Fund 701	\$	149,094.22
Wastewater Fund 721	\$	107,746.73
MOR Fund 703 ETL1	\$	122,417.54
MOR Fund 762 ETL2	\$	296,753.32
LORCO Fund 749	\$	17,756.63
Water Constr 704	\$	257,264.48
WW Constr 724	\$	361,333.46
Lateral Loan 765	\$	5,250.00

Ayes: Dzwonczyk, Rickey, Rush, Schnabel

Nays: None

Motion carried.

Reports/Updates

Debt/Refinancing: CUE Danielson reported Avon Lake Regional Water worked with the City of Avon Lake last year to jointly issue one-year notes in order to help fund projects. As the notes come due, the debt for some will be moved to the state revolving loan fund.

Other debt will roll over into another one-year (joint-issue) note, and one will be paid off as follows:

Note Purpose	Amount	Disposition
Moorewood Sewer Separation	\$5,000,000	Rolling into another note
Walker Road Water Main	\$2,500,000	Rolling into another note
Miscellaneous Water Mains	\$650,000	Paying off
Fairfield-Brookfield Water Mains	\$2,000,000	Moving to state revolving loan (DEFA)
Fairfield-Brookfield Sewer Separation	\$6,000,000	Paying down some & moving to state revolving loan (DEFA)

Project Updates:

Water Tower: Crews will again be working 7 d/wk to paint the bowl and remain on schedule.

Water Plant: Paving and landscaping are being completed.

Wastewater Plant: Mechanical equipment is being installed in the final clarifiers and the alum clarifier.

Lateral Updates: The lateral separation program is progressing well. As of May 12, 2017, letters have been sent to 2,948 residents indicating that they may have clean water entering their sanitary lateral and requesting Avon Lake Regional Water be contacted to determine whether this may be the case. To date, 2,164 (73%) have responded (up 30 since 4/27/17). Of the 2,164, 1,487 either have separated laterals or already had separated laterals and 677 either have problems or are believed to have problems. By extrapolation, approximately 1,200 (677 + ~67% of homes not inspected) may need to separate laterals.

Since the last Board meeting, 16 additional agreements for the Lateral Loan Program have been executed, bringing the total to 69, with \$287,500 committed and \$88,850 paid so far. The average loan request is for approximately \$3,230.

New Employees: CUE Danielson introduced the Board to new employee Customer Service Clerk Nicole Huerner, who began working with Avon Lake Regional Water on May 1, 2017. Customer Service Clerk Cynthia Farch has successfully completed her background check, physical, and drug screening and will begin on May 30, 2017, at Step 1C. Customer Service Clerk Michelle Woods will also begin on May 30, 2017, at Step 1C, pending successful completion of her background check, physical, and drug screening.

CUE Action Items:

Below are responses to questions asked by the Board:

GLRI: The Great Lakes Restoration Initiative was launched in 2010 to accelerate efforts to protect and restore that Great Lakes by cleaning up areas of concern, preventing and controlling invasive species, reducing nutrient runoff, and restoring habitats. To date, over \$1.7 billion in projects have been funded, including more than \$14 million for restoration work and harbor maintenance on the Black River and in Lorain Harbor. The 2017 budget that Congress recently approved kept annual GLRI funding at \$300 million for the fiscal year ending 9/30/17.

Board salaries: Members previously asked about the timing regarding the fixing of Board salaries. Section 52 of the Charter indicates that Council must fix the salaries on or before the first day of June. Per discussion by the Board, this should be revisited in January 2018.

Expense sheet formatting: Staff is working to end the process of using the expense sheets generated in QuickBooks and exported to Excel. The new purchase order software, New World Systems, has the ability to create reports, but staff is still working through issues to get the functionality.

Potential lateral loans: As of May 12, 2017, there are 437 known lateral problems in homes that must be separated by 2/1/18; and 587 homes have not been inspected. Of these homes not yet inspected, it is estimated 434 must separate. Therefore, an approximate 875 homes must separate by 2/1/18, which leads to approximately 100 loans per month if everyone takes out a loan. This could lead to needing up to approximately \$350,000 on-hand each month to pay contractor expenses. The Board originally advanced \$200,000 to seed the fund. We will, therefore, need to keep the seed money in the fund until after we get through separations for the first deadline.

Lateral Contractor Safety Enforcement: The City's contractor registration program primarily requires bonding and insurance. Safety requirements/enforcement is the responsibility of the state. For example OAC 4123:1-5-26 governs Trenches and Excavation.

Chairman/Committee/Members Reports
None.

CUE Report
None.

Miscellaneous
None.

Executive Session

Mr. Rush moved, Mr. Rickey seconded, to meet in Executive Session as allowed by ORC 121.22 to discuss employment of a public employee and to include the Chief Utilities Executive and Cheryl Arnold in the discussion.

Ayes (per rollcall vote): Dzwonczyk, Rickey, Rush, Schnabel
Nays: None
Motion carried.

The Board reconvened at 9:16 PM

Adjourn

As there was no further business, Mr. Dzwonczyk moved, Mr. Rush seconded, that the meeting adjourn at 9:16 PM.

Ayes: Dzwonczyk, Rickey, Rush, Schnabel
Nays: None
Motion carried.

Approved June 6, 2017

John G. Dzwonczyk, Chairman

Todd A. Danielson, Clerk