

Board of Municipal Utilities
Meeting Minutes
May 17, 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. Rickey, Mr. Rush, and Mrs. Schnabel.

Also present: CUE Munro, CUO Yuronich, Mayor Zilka, Councilman Spaetzel, and Attorney Khawam of Mansour Gavin.

Excused: Mr. Dzwonczyk.

Approve Minutes

Mr. Rush presented the Minutes of the May 3, 2022 regular meeting. Mr. Rickey requested the April 19, 2022 date in the headline be changed to May 3, 2022. With the correction noted, he ordered that the minutes stand as amended.

Public Speakers

None.

Correspondence

Mr. Munro said Ohio EPA awarded Avon Lake Regional Water a \$50,000 lead service line mapping grant. The grant will be used to offset the costs on our new camera inspection truck software. Mr. Munro said the total cost on the software was \$63,000 so our share for it will be \$13,000. Mr. Munro said this software will help us identify and provide us with a more accurate map of lead service lines.

Expenditures

Following review of expenses dated May 17, 2022, for funds and amounts as follows, Mr. Abram moved, Mr. Rickey seconded, to approve the expenditures of April 29 through May 12, 2022:

Water Fund 701	\$	179,595.65
Wastewater Fund 721	\$	278,165.29
MOR ETL1 Fund 703	\$	222,675.57
MOR ETL2 Fund 762	\$	377,022.68
LORCO Fund 749	\$	47,765.00
Water Construction Fund 704	\$	6,269.87
Wastewater Construction Fund 724	\$	3,548.76

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

Nays: None

Motion carried.

Budget Amendments/Appropriations

Mr. Munro said to properly account for the receipt and expenditure of OWDA loan funds for the 2022 Water Bundle Project, an appropriation is required to the 704 Water Construction Fund and an amendment to the 724 Wastewater Construction Fund. Mr. Munro said this is to ensure receipts and expenditures are tracked correctly. Mr. Munro said he spoke with the Finance Director regarding this matter and he was in agreement with the proposals.

Mrs. Schnabel moved, and Mr. Abram seconded, to appropriate \$4,048,523.85 to 704 Waterworks Construction Fund Expense Account 55007 Capital – Waterlines.

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

Nays: None

Motion carried.

Mrs. Schnabel moved, and Mr. Rickey seconded, to amend the 724 Wastewater Construction Fund and add the expense Account 55007 Capital – Sanitary Sewers and appropriate \$474,579.00 to said account.

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

Nays: None

Motion carried.

Utility Billing Software

Mr. Munro said staff has been working for several years on replacing our current billing software used by the Customer Service staff. By replacing, it will allow staff to provide a re-designed bill to our customers. Mr. Munro said staff has taken our customers' feedback into consideration on providing the information they want to see on their bills. Mr. Munro said our current vendor was unable to take the information and provide it on the bill; we have reached a point of impasse with the vendor. Mr. Munro said staff has had several demonstrations on various software platforms and have selected Springbrook Holding Company, LLC. Springbrook Holding Company, LLC is a utility billing software company that specializes in small to medium size utilities and will be able to provide all requested services. Mr. Munro said we will save money overall, as we pay \$3,600 per month for our current MuniLink software. Our software with Springbrook will be about \$1,600 per month. The recommended motion reflects the annual cost of the software and implementation and design services.

Mr. Abram asked where is the location of Springbrook Holding Company, LLC. Mr. Munro responded that the company originated in Oregon, but is now in several states. Mr. Abram asked if there will be a representative to help us. Mr. Munro responded yes.

Mr. Rickey asked if the software will be able to handle LORCO billing. Mr. Munro responded yes. Mr. Rickey asked if this software will seamlessly transition to monthly billing if we ever go to monthly billing. Mr. Munro responded yes; to Springbrook, it does not make a difference as to if we want to bill monthly, quarterly, or semi-annually. Staff has explored all the different billing scenarios and have provided them with every different type of bill that we send out. Springbrook is also able to include our backflow for tracking into our system and this is going to allow us to be more efficient in the office. Mr. Rickey asked about the 250 hours of training included in the proposal. Mr. Munro responded that the 250 hours also includes implementation and not just training.

Mr. Rush said these are professional services and we had to find the right fit for us. He asked if there were competitors and if staff looked at their work. Mr. Munro responded yes; there were five/six other companies including larger companies and the financial software that City Hall and us use for finances. Those companies were not able to do a couple of the billing items that we require like the lateral loan. Staff received proposals and demonstrations from them. Mr. Munro said staff has vetted Springbrook and all of their competitors.

Mrs. Schnabel said she is glad staff has stuck with this project because several years ago she was frustrated with the bills. Mrs. Schnabel said Cheryl Arnold has done a lot of work in particular like enclosing the bill inserts for people to understand how to calculate their bill. Mrs. Schnabel said it is important for people to have that information so they can see how their bill is calculated and excited to see the new bill design.

Mrs. Schnabel moved, and Mr. Abram seconded, to authorize the CUE to execute a contract with Springbrook Holding Company, LLC for the not-to-exceed amount of \$44,835.75 for software and implementation services.

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

Nays: None

Motion carried.

HDR Construction Administration Services

Mr. Munro said with our continual efforts of improvement at the Water Filtration Plant (WFP), we have reached 100% design with HDR. This project began with a Redundancy & Resiliency and Future Capacity Study, which turned into design services for WFP and the ETLs. Now that we are at 100% design phase, the next phase is bidding and construction services. Mr. Munro said in an effort to save money on the project, ALRW Engineering Services will oversee the bidding phase of the project. This will save us about \$50,000. Because of the timing of the ETL projects and this work at WFP, our Engineering Services team would not be able to handle the construction management work load. This proposal would take us through construction administration services, project inspection, equipment commissioning and startup, and project closeout. Mr. Munro said this amendment to current contract would be for \$1,491,940.00. When adding this together with the previous engineering services with the ETLs and WFP, the estimated construction costs total for both project is \$55 million. Mr. Munro said the total engineering services with HDR is about 5.8% of the total estimated construction costs which is below the industry standard range of 6%-7%. In comparison, when we did our \$35 million improvements at the Water Reclamation Facility, the engineering costs were 7%.

Mr. Rush asked if some of the costs are shared by our consortium partners. Mr. Munro responded that for the construction services, it would just be WFP and would be our costs. Mr. Munro said he is looking for additional funding for the project, whether federal or state. We have been successful in the past on nominating our projects for 0% interest loans with OWDA and he has nominated the project.

Mr. Rickey asked about liability of HDR with construction services. Mr. Munro responded that he will ask HDR for clarification on liability of the construction contractor and he will work with the Law Director on review of the proposal and our protection. Mr. Rickey asked which staff would oversee these services. Mr. Munro responded it would be Mr. Yuronich and Mr. Gaydar. We are looking at approximately two years of construction on the project.

Mr. Rickey asked for explanation on the 5% contingency. Mr. Munro responded the contingency is for if we run into anything unexpected that would cause delay claims, the contingency would keep the project moving along, but he would come back to the Board.

Mr. Rickey moved, and Mrs. Schnabel seconded, to authorize the CUE to execute amendment #4 for the Redundancy and Future Capacity Plan for construction management services at the Water Filtration Plant in the amount of \$1,491,940.00 plus an additional 5% contingency for any out-of-scope items.

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

Nays: None

Motion carried.

Additional Storage Building

Mr. Munro said in 2021, staff issued a public bid for an additional storage building to be located at the Administration Building. Staff was trying to perform as much work as possible for the project to save money. The way the bid was structured, we received no bids. Mr. Munro said staff changed the bid and bids were received, which were significantly higher than the Engineers estimate with the lowest bid being over \$2 million. This was about \$1 million over the Engineers estimate and the project was not awarded. Mr. Munro said since then, staff has taken a design-build approach to the project with ALRW acting as the general contractor overseeing the project. As a member of the Sourcewell cooperative purchasing program, staff is working with BlueScope Construction on the design and erection of the structure. Mr. Munro said BlueScope Construction was awarded a publicly bid contract by Sourcewell for pre-engineered steel building materials and erection services for the building. ALRW is able to procure materials and erection services from BlueScope under this contract. The services covered under this contract are the procurement of the building materials, building erection, and masonry services. Mr. Munro said staff will perform the water line work, sanitary sewer, storm sewer, and concrete work will be performed in house. There is a registered master plumber on staff to perform gas line work as well. Staff will also do the concrete work under the concrete bid. Staff is recommending the award of a contract with BlueScope Construction for the not-to-exceed amount of \$872,441.00. Mr. Munro said if approved, we are looking at a 6-month delivery on materials. Electrical and fire sprinklers are not included in this bid; that would be a separate bid. Based on the Engineers estimate, this project would be a total of \$1.5 million, which would be a savings of \$500,000 based on the lowest bid that we received last year.

Mr. Rickey asked the building size. Mr. Munro responded its one building that is 60 x 170 with an additional covered area on the north side of building for additional storage. The design includes a commercial truck wash facility, but that would have to be procured. Mr. Munro said the costs for this project are budgeted.

Mr. Abram asked what the building size was again. Mr. Munro responded its 60 x 170, which is the current size of the garage attached to the building.

Mr. Rush said if the Board has no objection, he will abstain from voting as BlueScope Construction is a subsidiary of BlueScope Steel and his largest customer is a subsidiary of BlueScope Steel.

Mr. Abram moved, and Mrs. Schnabel seconded, to authorize the CUE to execute a contract with BlueScope Construction, Inc. for the purchase and installation of a pre-engineered steel building for the not-to-exceed amount of \$872,441.00.

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

Project Updates

ETL Design Services: Mr. Yuronich said staff continues to review the 100% design drawings for the ETL1 work along the railroad tracks from Moore Rd. to Krebs Rd. Staff anticipates review will be completed by Friday, May 20th and comments provided to HDR.

WFP Improvements: Mr. Yuronich said staff is ready to submit for Ohio EPA approval for the fluoride building design. We are looking at slightly larger bulk storage tanks onsite for fluoride. We learned from the orthophosphate building, that the size of the orthophosphate tanks is not quite large enough for a full truck load. By increasing the tank size for fluoride, it will give us additional storage and allow deliveries to be separate and isolated from the orthophosphate.

Mrs. Schnabel asked if the orthophosphate tanks will be made bigger. Mr. Yuronich said no, the orthophosphate tanks will stay the same size.

WFP Filter Repairs: While showing pictures of the filters, Mr. Yuronich said we started with damage to the clay under drains. When S&S Filter was removing the damaged tiles, the surface of under drains was damaged; we did not have the full filtering capacity of all the filters. Mr. Yuronich said, now this is a section where S&S Filter has removed a block across the entire width of the filters so when the tiles are installed, we are starting with a brand-new filter and restore everything to its original capacity. Mr. Yuronich said the replacement filter media has all been delivered onsite. The last thing is to fully install the under drains and then they can begin to install and disinfect the filter media.

Mr. Rush asked when the filters will be back in service. Mr. Yuronich responded hopefully two of the three filters will be back in service by the end of this month (May).

Spieth Road Water Tank Mixers: While showing pictures of the filters, Mr. Yuronich said the first picture was the outside of the tank; it's a very visible difference of before and after pressure washing. Practical Inspections has completed the cleaning and installation of the mixer in the North Tank and it is back in service. As of today (May 17), the South Tank is half way filled and going through the disinfection process. Mr. Yuronich said work on this will resume tomorrow (May 18) with the tank will be filled all the way and the bacteria testing. Once the bacteria testing come back negative, we will be able to get the tank back into service. We will then begin implementing our new SOP on operating the tanks.

2022 Water Line Bundle Project: While showing pictures of the filters, Mr. Yuronich said Underground Utilities, Inc. (UUI) completed restoration of the Lake Road project areas.

CUE Report

None.

Miscellaneous & Member Reports

Mr. Rickey said he attended a recent HDR progress meeting and was able to meet the HDR team.

Public Speakers

None.

Executive Session

Mr. Abram moved, and Mrs. Schnabel seconded, to meet in executive session as allowed by ORC §121.22 G (2) and ORC §121.22 G (3) to consider the purchase and/or sale of property and pending legal matters and to include the CUE, the CUO, and representatives from Mansour Gavin.

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

Nays: None

Motion carried.

The Board reconvened at 8:28 PM.

Adjourn

As there was no further business, Mr. Abram moved to adjourn, and Mr. Rush seconded. The meeting adjourned at 8:28 PM.

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

Nays: None

Motion carried.

Approved June 7, 2022.

Tim Rush, Acting Chairman

Robert Munro, Clerk