

Board of Municipal Utilities
Meeting Minutes
August 21, 2018
201 Miller Road
Avon Lake, Ohio

Call to Order – Roll Call

The meeting was called to order at 6:35PM.

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

Also present: CUE Danielson, CUO Munro, Community Outreach Specialist Arnold, Engineering Services Manager Gaydar, Mayor Zilka and Councilman Zuber.

Approve Minutes

Chairman Dzwonczyk presented the minutes of the July 10, 2018, work session and regular meeting. With no changes, additions or corrections noted, he ordered that the minutes stand and be distributed as presented.

Public Speakers

Councilman Zuber asked about payments to lateral separation contractors. The CUO reviewed our progress.

Councilman Zuber informed Avon Lake Regional Water that the City will be repaving Walker Rd. from Route 83 to PolyOne next year.

Correspondence

Chairman Dzwonczyk received an email from Legacy Village HOA expressing interest in connecting to Avon Lake Regional Water for their sprinkling system. Legacy Village HOA is currently using pond water. The email was forwarded to the CUE and the CUO to address.

Expenditures

Following review of expenses dated July 17, 2018, for funds and amounts as follows, Mr. Abram moved, Mr. Rush seconded, that all be approved and paid per budget:

Water Fund 701	\$	330,679.70
Wastewater Fund 721	\$	302,535.85
MOR Fund 703	\$	193,919.42
MOR Fund 762	\$	370,981.42
LORCO Fund 749	\$	18,808.52
Lateral Loan Fund 765	\$	34,000.00
Water Construction Fund 724	\$	96,557.00

Ayes: Abram, Dzwonczyk, Phillips, Rush and Schnabel

Nays: None

Motion carried.

Following review of expenses dated August 7, 2018, for funds and amounts as follows, Mr. Rush moved, Mr. Abram seconded, that all be approved and paid per budget:

Water Fund 701	\$	311,240.91
Wastewater Fund 721	\$	198,132.41
MOR Fund 703	\$	263,671.08
MOR Fund 762	\$	450,724.68
LORCO Fund 749	\$	6,620.98
Lateral Loan Fund 765	\$	28,000.00
Water Construction Fund 724	\$	6,620.98

Ayes: Abram, Dzwonczyk, Phillips, Rush and Schnabel

Nays: None

Motion carried.

Following review of expenses dated August 21, 2018, for funds and amounts as follows, Chairman Dzwonczyk moved, Mr. Abram seconded, that all be approved and paid per budget:

Water Fund 701	\$	98,249.03
Wastewater Fund 721	\$	102,168.11
Lateral Loan Fund 765	\$	33,800.00

Ayes: Abram, Dzwonczyk, Phillips, Rush and Schnabel

Nays: None

Motion carried.

At the request of staff via the write-up members provided feedback on the possible new format (as per NWS) for financial information. The chairman requested that line-item numbering still be presented in order to aid discussion. A brief discussion arose about whether the Board needed to approve expenses before they are paid or was comfortable being briefed on monthly expenditures afterward. The CUE indicated he would research this further.

LORCO Third Amendment

In response to LORCO's request to lower the monthly payment to them for operating expenses, the Third Amendment to the original agreement was created and approved by the LORCO Board. In effect, the amendment reduces their monthly payment from \$12,000 to \$10,000 effective July 2018. The CUE requests authorization to execute the agreement.

Mr. Abram moved, and Mr. Phillips seconded to approve Third Amendment to the LORCO Cooperative Agreement reducing the monthly payment to them from \$12,000 to \$10,000 effective July 2018.

Ayes: Abram, Dzwonczyk, Phillips, Rush and Schnabel

Nays: None

Motion carried.

Calfee Engagement

The CUE requests the Board acknowledge the engagement letter with Calfee. The letter has been reviewed for legal form by the Law Director.

Mr. Rush moved, and Mr. Phillips seconded to move to acknowledge the engagement of Calfee Halter and Griswold for legal services as outlined in the July 13, 2018 letter not to exceed \$10,000.00.

Ayes: Abram, Dzwonczyk, Phillips, Rush and Schnabel
Nays: None
Motion carried.

Contract Awards

Water Distribution System Supplies

Bids for the annual water distribution supplies were opened on August 3, 2018; and after review by Avon Lake Regional Water staff, it was recommended that the awards be made per the motion below.

Supplier: **Ferguson Waterworks**
Bid Items: 5G, 12, 12A, 12B, 12C, 12D, 13, 13A, 13B, 14, 14A, 15, 15A, 15B, 16, 16A, 17, 17A, 17B
Total Contract: **\$118,854.51**

Supplier: **Core & Main**
Bid Items: 2, 2B, 3, 6, 6A, 7, 8, 10A, 18
Total Contract: **\$50,196.91**

Supplier: **Trumbull**
Bid Items: 1, 1A, 1B, 3A, 4, 5A, 5B, 5C, 5E, 5F, 5H, 5I, 5K, 5L, 5M, 5N, 5O, 9C, 9D, 10, 10B, 10C, 10D, 10E, 10F, 10G, 10H, 10I, 10J, 10K, 10L, 10M, 10N, 11, 11A, 11B, 11C, 11D, 11E, 11F, 11G, 11H, 11I, 11J, 11K, 11L, 11M, 11N, 11O, 11P, 11Q, 11R, 11S, 11T, 11U, 11V, 11W, 11X, 11Y
Total Contract: **\$81,813.75**

Mr. Rush moved and Mr. Phillips seconded that the annual Water Distribution System Supplies bids be awarded in accordance with Item 6 in the agenda item write-up and bid tabulation documents dated August 10, 2018, signed on August 20, 2018, by Avon Lake Regional Water's engineer to Ferguson Waterworks for \$118,854.51, Core & Main for \$50,196.91 and Trumbull for \$81,196.91.

Ayes: Abram, Dzwonczyk, Phillips, Rush and Schnabel
Nays: None
Motion carried.

Chemicals

Bids for the annual treatment chemicals were opened on August 3, 2018; and after review by Avon Lake Regional Water staff, it was recommended that the awards be per the motion below:

<u>Supplier</u>	<u>Chemical</u>	<u>Contract Award</u>
<i>Chemtrade</i>	<i>Alum</i>	<i>\$348,000.00</i>
<i>Mississippi Lime</i>	<i>Lime</i>	<i>\$46,712.50</i>
<i>Bonded Chemical</i>	<i>Sodium Silicofluoride</i>	<i>\$101,120.00</i>
<i>JCI Jones</i>	<i>Chlorine</i>	<i>\$54,000.00</i>
<i>Bonded Chemical</i>	<i>Potassium Permanganate</i>	<i>\$39,420.00</i>
<i>SNF Polydyne</i>	<i>Dry Polymer</i>	<i>\$35,000.00</i>
<i>PVS Technologies</i>	<i>Ferrous Chloride</i>	<i>\$45,232.22</i>
<i>Cabot</i>	<i>Carbon</i>	<i>\$238,400.00</i>
<i>Sal Chemical</i>	<i>Liquid Orthophosphate</i>	<i>\$30,396.00</i>

Chairman Dzwonczyk moved and Mr. Abram seconded that the annual Chemical Supplies bids be awarded in accordance with Item 6 in the agenda item write-up and bid tabulation documents dated August 10, 2018, signed on August 20, 2018, by Avon Lake Regional Water's engineer to Chemtrade (alum) for \$348,800.00, Mississippi Lime (lime) for \$46,712.50, Bonded Chemical (sodium silicofluoride) for \$101,120.00, JCI Jones (chlorine) for \$54,000.00, Bonded Chemical (potassium permanganate) for \$39,420.00, SNF Polydyne (dry polymer) for \$35,000.00, PVS Technologies (ferrous chloride) for \$45,232.22, Cabot (carbon) for \$238,400.00, and Sal Chemical (liquid orthophosphate) for \$30,396.00.

Ayes: Abram, Dzwonczyk, Phillips, Rush and Schnabel

Nays: None

Motion carried.

New Water Tower Illumination Bid – Bids were opened on August 13, 2018. The project received bids from two (2) electrical contractors. Based on the submitted bids, Zenith Systems was the lowest and most responsible bidder in the amount of \$248,870.00. Avon Lake Regional Water engineer's estimate for this project was \$271,821.71.

The Board requested this item to be postponed until the CUO and engineer can research other options that are more economical.

Customer Service Clerk

Due to a retirement at the end of 2018, Avon Lake Regional Water will interview candidates from the current Civil Service eligibility list. The intention is to hire this new person now to help aid in cross-training prior to the retirement at the end of the year.

229 Fay and 179 South Point

The CUO briefed the Board about two separate addresses where there were errors with staff's inspection process. As indicated previously by the Board, the CUE acted to address the issues and notify the Board of the actions taken.

After discussion, Board members requested further investigation regarding 229 Fay and whether staff should pursue the issue with the previous owner.

Project Updates

45 Project: Paving is scheduled for South Point during the week of August 27, 2018. Seeding of lawns will take place on Oakwood the week of August 20, 2018.

Curtis Area Sanitary Sewer Rehabilitation Project: Roadway restoration will start the week of August 27, 2018, pending any weather issues.

Wastewater Plant: All major construction is finished, and Avon Lake Regional Water staff is working with the contractors on punch list items.

Lateral Updates

The lateral separation program continues to progress. As of August 17, 2018, letters have been sent to 3,056 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, 2,956 (97%) have responded (up 61 since 7/6/18, an average of ~10/wk). Of the 2,956, 2,455 either have come into compliance or were already in compliances (up 66, or ~11/wk) and 501 either have problems or are believed to have problems. By extrapolation, approximately 568 (501 + ~67% of homes not inspected) may need to do some work to come into compliance.

As of August 17, 2018, 23 of the homeowners with the 11/30/18 deadline have yet to respond and have their free inspection. It is anticipated, approximately 210 need to do some work to comply by 11/30/18 (~10/wk).

The total executed Lateral Loan Program agreements are now at 311 (up 19, or 3/wk) with \$1,073,748 committed and \$693,340 paid to contractors so far. The average loan request is for approximately \$3,440. Cumulatively, 211 of the 657 (32%) whom have separated laterals have used the lateral loan program.

Certified letters will be mailed out to the approximately 210 homeowners who have not responded to the 11/30/18 deadline. Staff is calling many homeowners and identifying who is on the tax records. Thirteen (13) of the 23 are habitual shut offs.

Members discussed how to assure contractors are paid quickly and potential loopholes have been minimized for homeowners wanting to delay beginning repayments. The CUE working with the Law Director to revise the lateral loan agreement for future loans. Previous loan applications are being handled through mailings and phone calls to homeowners. The CUO is working to get more information on which loans need to be followed up.

Communications

None.

CUE/CUO Report and Action Items

Action items were presented with the write-up. Action Items are available on the Board Dashboard webpage.

Chairman/Committee/Member Reports

None.

Miscellaneous

Mr. Abram stated that the Ohio Legislature passed HB 523 which is known as the "Medical Marijuana" bill. The bill takes effect in September 2018. Mr. Abram stated Management and the Board will have to determine a policy for Utility employees.

The CUE will consult with the City's HR Director.

Adjourn

As there was no further business, Mr. Rush moved, Mr. Abram seconded, that the meeting adjourn at 8:02PM.

Ayes: Abram, Dzwonczyk, Phillips, and Rush

Nays: None

Motion carried.

Approved September 04, 2018

John Dzwonczyk, Chairman

Todd A. Danielson, Clerk