

Board of Municipal Utilities  
**Work Session Minutes**  
**September 3, 2019**  
201 Miller Road  
Avon Lake, Ohio

***Call to Order – Roll Call***

The meeting was called to order at 6:00 PM.

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

Also present: CUE Danielson, CUO Munro, Technical Support Specialist Collins, and Mayor Zilka

***Lockbox***

The CUE presented to the Board the Lockbox and E-Lockbox program that were implemented starting in the September 2018 billing cycle. The CUE refreshed the Board that Lockbox is a method used by Avon Lake Regional Water to collect payments from customers. Customer payments are sent to Huntington Bank through a Cleveland post office box, where they are then processed. He said the process saves time for staff, and it ensures the payment is made properly. He illustrated the payment breakdown since the use of Lockbox as follows:

<u>Payment Method</u>	<u>% of Total</u>
Lockbox	26%
E-Lockbox	10%
Credit Card	7%
ACH	31%
In-Office Processing	27%

He said that the numbers have been fairly consistent each quarter. The CUE did note that credit card payments have been slowly decreasing, which he attributes to the service charge for that payment method. He also said that the greater than 25% for in-house processing shows that a number of customers still like to pay in person and know that their check has been received. The CUE said that with using E-Lockbox, staff has had a lot of success, and it has reduced the amount of time dedicated each quarter to tracking down payments.

The CUE informed the Board that the costs for Lockbox are much lower than originally anticipated. He said that Huntington charged approximately \$11,000 over-and-above what would have been charged for depositing at the bank for the services during the past 11 months. He added that Huntington indicated most of the \$11,000 in charges have been waived, based upon the balances the City maintains.

The CUE emphasized that because most of the fees are waived, staff intends to continue using Lockbox/E-Lockbox. He did say that staff will perform a more detailed assessment of the differential costs between Lockbox and in-house processing and the benefits/drawbacks each provides. He also said the assessment will take some time because the City is now preparing to request proposals for banking services. Mr. Abram

asked when the City was planning on changing their banking services. The CUE stated that the Finance Department is currently working on the request for proposals and may or may not change banks, based upon the proposals.

### ***Senior Operator***

The CUE presented to the Board the job description for the new Senior Operator position. He said that Staff is working to update positions to reflect future needs of the organization, and the Senior Operator description helps to further grow and train internal staff to help prepare them for additional responsibilities. The CUE stated that the Senior Operator is written so that it may be applicable for both Water and Wastewater.

The CUE informed the Board that staff is scheduled to present the draft to the HR Committee at its September 9th meeting in order to begin the process with Council. He said that the position requires a Class 3 license and incentivizes the Senior Operator to obtain a Class 4 Operator license, which is important for succession planning. The Chairman asked if the management team has spoken with the HR Director regarding the position and if he approved. The CUE informed the Board that staff has an upcoming meeting with the HR Director.

Mr. Abram asked if the Operations Supervisor was planning on retiring soon. The CUE informed the Board that the current operator is scheduled to retire in January. Mr. Abram also asked if an individual with a Class 3 Operator license would be able to take the Civil Service Test. The CUE stated that yes, an individual with that classification would be able to take the exam, that the Class 3 license is a prerequisite for the position, and that the position would be posted internally before advertising for a Civil Service exam.

### ***Other Items***

The Chairman asked about the leaks which took place the week before. The CUO informed the Board that there had been three breaks on ETL1 in the last few weeks. He said that there have been chronic failure points. The Chairman said that the situation could be compounded as all of the homes proposed in the LORCO service area need water supplied through ETL1. He said that options such as an "ETL3" should be considered.

The CUE informed the Board that staff has received qualifications from five consulting firms regarding redundancy and future capacity assistance. He said that staff will be selecting a partner, with whom they will develop a scope and budget for the project, which they will then bring to the Board for approval. He also stated that he has been speaking with bulk customers who have expressed their support for the project. He said that the project's intent would be to reduce risk, improve public health and welfare, and promote continued growth.

The CUO informed the Board that the three recent beaks were all due to corrosion. He said that they were known as "blowholes." He also stated that as the crew was repairing the third break they found another corroded spot just three feet over from the repair. He

said that the crew put a repair clamp on the corroded area to prevent a future break. Mr. Rush asked if the entire ETL1 is cast iron. The CUE stated that it is made of ductile iron.

The Chairman asked if the replacement would also be a metallic pipe. The CUE stated that PVC pipe would be the preference, or concrete. He said that historically the breaks are seen in the spigot area of the pipe. He went on to say that these were not typical breaks, in that they were located closer to the middle of the pipe. He said that the ductile pipes are wrapped in plastic in order to reduce corrosion, but the wrapping was not tight under the bell and spigot area, which may be a contributor to the historical corrosion. Corrosion in the middle of the pipe is not what has been seen historically. Mr. Rush asked if the management team would use the same easement and replace ETL1 with a parallel pipe. The CUE informed the Board that the easement was quite narrow and that it would be difficult. He went on to state that there is the potential to use the same trench, replacing sections of ETL1 during low-flow periods over time.

Mr. Phillips asked how the staff has been finding the breaks. He asked if there was a drop in pressure or were they call-ins from customers. The CUO stated that staff sometimes notices a large increase in flow through the monitoring system and mobilizes a crew to find the breaks. He said that breaks could also be called in by customers.

The CUO stated that there were issues at the pumping station and that staff is preparing to fix a valve and is considering whether a generator is necessary for ETL2. Mr. Rush stated that this matter was at a "top-of-the-pile" importance level. He asked if both ETLs were in the consortium. The CUE stated that ETL2 was a consortium. He believed ETL1 was not; however, it was operated in a similar manner. He also said that the management team will work with the consultants to help identify solutions. The CUE stated that the process could take 6 to 9 months total. Mr. Rush asked if the valve will take that long as well. The CUO informed the Board that the valve was being handled now.

### ***Adjourn***

With no other business, the Chairman moved to adjourn, Mr. Rush seconded. The Chairman concluded the work session at 6:30 PM.

Approved \_\_\_\_\_ 2019

John Dzwonczyk, Chairman

Todd Danielson, Clerk