

Board of Municipal Utilities
Work Session Minutes
November 20, 2018
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, Mr. Phillips, and Mrs. Schnabel.

Also present: Jeff Crawford (Cleveland Custom Homes), Mayor Zilka, CUE Danielson, CUO Munro, Engineering Services Manager Gaydar, Distribution and Collection Manager Kasten, Water Filtration Plant Manager Yuronich, and Community Outreach Specialist Arnold.

St. Jude Dream Home Sponsorship Opportunity

Chairman Dzwonczyk called the meeting to order at 6:00PM and invited Jeff Crawford to present information about the St. Jude Dream Home sponsorship opportunity. Mr. Crawford indicated that this will be the ninth Dream Home built in the greater Cleveland area and that each Dream Home raises up to \$2 million for St. Jude Children’s Research Hospital because the foundation sells \$2 million in raffle tickets for the home and has a goal for the home to be constructed at a “Net Zero” cost. Due to the sponsorship by Fox 8, there is significant publicity about the home and the sponsors, which provides a great benefit to both St. Jude and Avon Lake. They are requesting Avon Lake Regional Water consider waiving the water and wastewater connection fees to help with the “Net Zero” goal.

Following Mr. Crawford’s presentation, members asked a few questions of Mr. Crawford and indicated that they would further discuss the request and then act on it at either tonight’s meeting or the next meeting.

2019 Draft Budgets

CUE Danielson presented the 11 draft budgets to members and specifically discussed the draft Water Fund budget. Members asked about some of the upcoming debt, which the CUE indicated he was considering working with the City to convert Bond Anticipation Notes into General Obligation Bonds with the City. Members indicated concern for that because they did not want to impact the City’s borrowing ability or credit rating. The CUE indicated that he had be working in collaboration with the City’s Finance Director on the potential offering but would present benefits and drawbacks about that approach before moving forward on the specific debt instrument.

Members also asked about a potential \$550,000 expenditure for water meters. The CUE indicated that the last water meter replacement finished around 10 years ago and batteries were beginning to fail. CUO Munro added that 2019 would be the first year of a five-year replacement program. There was detailed discussion about the potential costs and benefits of replacing the water meters, which ended with the Chairman indicating

that this was very interesting and requesting that staff provide more information about the meter replacement program at an upcoming work session.

Member Abram asked about bank fees and whether less expensive options had been identified. The CUE indicated that the Finance Director had stated that he would look at this as time permits.

The Chairman asked members to review the draft budgets and be prepared to act on the budgets at the next meeting. The CUE offered to respond to any member's questions about the budgets between tonight's meeting and the next meeting in order to reduce questions on December 4th.

Adjourn

With no other business before the Board, Mr. Dzwonczyk adjourned the work session at 6:34 PM.

Approved December 4, 2018

John Dzwonczyk, Chairman

Todd Danielson, Clerk