

Board of Municipal Utilities
Regular Meeting Minutes
December 5, 2017
201 Miller Road
Avon Lake, Ohio

Call to Order – Roll Call

The meeting was called to order at 6:30 PM.

Present: Mr. Phillips, Mr. Rickey, and Mr. Rush. Mrs. Schnabel arrived at 7:35 PM.

Excused: Mr. Dzwonczyk.

Also present: CUE Danielson, WPCC Manager Baytos, Distribution & Collection Services Manager Kasten, WFP Manager Yuronich, Engineering Services Manager Gaydar, Community Outreach Specialist Arnold, Cynthia Farch, Mayor Zilka, Councilmember Fenderbosch, David Miles, and Resident Anthony Rubino.

Due to the Chairman's absence and per the Board's 2016-2017 organizational meeting, Mr. Rush served as Acting Chairman Pro Tem.

Approve Minutes

Acting Chairman Rush presented the minutes of the November 21, 2017, work session and regular meeting and with no changes, additions or corrections noted, ordered that the minutes stand and be distributed as presented.

Public Speakers

Mayor Zilka advised that the City was just made aware last week of the 60-day closure of Lake Road at the City's east end and expressed frustration and disappointment with the lack of communication and notification. He added that the Mayor of Bay Village was also not made aware and noted the significant impact this road closure will have on both communities. CUE Danielson and Engineering Services Manager Gaydar said that Public Works Director Reitz and other City officials were made aware by email upon their receipt of the contractor's schedule. A meeting is scheduled this Thursday with the contractor and Avon Lake Regional Water and City staff members to discuss and work through the project's logistics.

Correspondence

The CUE advised that the National Association of Water Agencies recently became aware of, was impressed by, and posted information regarding Avon lake Regional Water's Lateral Loan Program. That posting piqued a reporter's interest and *The Chronicle* will be running an article sometime this week regarding the program.

Expenditures

Following review of expenses dated November 21, 2017, for funds and amounts as follows, Mr. Rickey moved, Mr. Phillips seconded, that all be approved and paid per budget:

Water Fund 701	\$	3,318,199.15
Wastewater Fund 721	\$	157,078.33
MOR Fund 703	\$	8,223.53
MOR Fund 762	\$	12,791.92
LORCO Fund 749	\$	3,340.31
Lateral Loan Fund 765	\$	6,000.00
Waterworks Construction Fund 704	\$	16,113.69
Wastewater Construction Fund 724	\$	23,188.00

Ayes: Phillips, Rickey, Rush

Nays: None

Motion carried.

Compliance with February 2018 Separation Deadline

The February 2018 sewer separation deadline was discussed at length with the CUE's suggestion that fines be temporarily waived if residents produce signed contracts prior to January 18, 2018, assuring their required separation complete prior to November 1, 2018. Approximately 240 homes with the February 2018 deadline have yet to respond to the inspection request and another 270 have known or assumed problems that must be addressed. All members agree it impossible for that number to meet that deadline but also contend that the requirement has been well publicized, is obvious when travelling throughout the city, and should be of no surprise to those still outstanding. It was also recognized that residents do have contracts in-hand; however their contractors will be unable to meet the deadline due to the late timing and winter weather. It was also noted that a signed contract does not necessarily assure their future compliance; and should a contract be reneged, members questioned when and how the applicable fines would be enforced. It was decided that the recommended motion be tabled and the subject addressed in detail at the Board's December 19 work session.

Additional Appropriations

Per the CUE's explanation and following some discussion, Mr. Rickey moved, Mr. Phillips seconded, to appropriate the following:

ETL1 Fund 703	\$300,000
ETL2 Fund 762	\$200,000

Ayes: Phillips, Rickey, Rush

Nays: None

Motion carried.

2018 Budget

Copies of the individual funds making up the 2018 budget were presented for the Board's approval. CUE Danielson noted and explained several changes made since the drafts were discussed at their November work session. Mr. Rickey said he is very concerned by the rate increases being considered and questioned the possibility of pushing off or eliminating some of the projects scheduled for the next year. Staff assured that all projects proposed are necessary and that some have already been delayed due to previous budget restrictions. Mr. Phillips then moved, Mr. Rickey seconded, to approve the following budgets:

Fund 701 Water	
Personnel	\$2,963,000
Other	\$7,707,000
Fund 704 Water Construction	\$8,100,000
Fund 706 Water Debt Service	\$2,208,000
Fund 721 Sewer	
Personnel	\$2,680,000
Other	\$3,953,000
Fund 724 Sewer Construction	\$9,240,000
Fund 725 Trunk Sanitary Sewer	\$14,000
Fund 727 Sewer Debt Service	\$2,996,000
Fund 765 Lateral Loan	\$2,000,000
Fund 703 ETL1 MOR	\$2,934,000
Fund 762 ETL2	\$4,557,000
Fund 749 LORCO	
Personnel	\$60,000
Other	\$2,387,000

Ayes: Phillips, Rickey, Rush

Nays: None

Motion carried.

Reports/Updates

The following reports and updates were made by copy of the meeting's write-up and discussed as noted:

LORCO Advance

With the approval of the 2017 budget, \$800,000 was appropriated to the Water Construction Fund (704) that would be loaned to LORCO at the 3.94% interest rate as per the Cooperative Agreement. As per custom, once the Board has appropriated the money, further action is not necessary for the advance (loan). In December, \$700,000 will be advanced to LORCO to assist with debt service payments. Mr. Rickey questioned LORCO's current debt to Avon Lake Regional Water. The CUE advised that it is approximately \$5,000,000 before the advance, however all are encouraged by new property developments, and especially Ryan Homes' recent commitment to the area.

Wastewater Rates

The CUE will present his request for wastewater rate increases for bills issued after July 2018 and July 2019 and will seek the Board's action at its first meeting in January.

Underground Asset Locator

The Civil Service Commission will begin advertising this new position with the exam scheduled for January 10, 2018. An internal advertisement was posted, and though we have a highly qualified candidate, his current wages exceed the range for the position.

Laborer

The 2018 budget includes hiring a new a Laborer. Additionally, one of the senior staff in the distribution and Collection Department intends to retire by the end of 2018. Therefore, administration intends to hire one or two Laborers from an approved eligibility list in the near future.

Project Updates

- *Water Tower:* As of December 1, the tank is full and being disinfected, and should be put in service next week.
- *Water Plant:* Minor issues are being finalized.
- *Corrosion Control:* The dosage of phosphate at this time is 0.7 PPM with little impact on turbidity.
- *ETL2 Pumps:* The first of the two pumps is in service.
- *Wastewater Plant:* The contractor is continuing demolition of the dewatering building. Primary Tank C1 is being retrofitted. The last two return pumps are set and scheduled for startup. Headworks brick work is at 75%.
- *Elyria Interconnection:* The facilities plan was submitted to Ohio EPA and the loan application will soon be submitted. Engineering documents should soon be submitted by the consultant. The assistant law director is working on the lot split and purchase.

Lateral Updates

Sewer lateral separation and loan program numbers were updated by this meeting's write-up.

CUE Report and Action Items

- *Cleveland Water:* The CUE followed up with the Water Commissioner, thanking them for coming and discussed a potential path forward.
- *Line numbers on budget spreadsheets:* Line numbers are now included on the budget spreadsheets.
- *Partnership for Safe/Clean Water:* Staff is reviewing requirements of the programs. Becoming part of the Partnerships is one of the steps we intend to take as part of our continuous improvement process.
- *ETL update:* At a future work session, staff will present information about ETL1 breaks and ideas regarding the potential path forward.
- *Employee licenses:* The CUE was pleased to recognize that Line Maintenance Leader Frankiewicz recently received his Class I Wastewater Collection license in addition to the Class II Water license he currently holds.

Chairman/Committee/Member Reports

None

Public Speakers

None.

Executive Session

Mr. Rush moved, Mr. Rickey seconded, to meet in Executive Session as allowed by ORC 121.22 to discuss employee matters and to include the CUE and David Miles.

Ayes per roll call vote: Phillips, Rickey, Rush, Schnabel
Nays: None
Motion carried.

The Board reconvened at 10:07 PM.

Compensation

Mr. Rush moved, Mr. Phillips seconded, to approve the following hourly wage rates for non-bargaining employees effective with the first pay period in January 2018:

Employee	Hourly wage effective with first pay in Jan 2018
Cheryl Arnold	\$26.52
Steve Baytos	\$44.81
Rick Eberle	\$60.42
Jack Gaydar	\$53.81
Rick Kasten	\$48.39
Greg Yuronich	\$41.69

Adjourn

As there was no further business, Mrs. Schnabel moved, Mr. Rickey seconded, that the meeting adjourn at 10:10 PM.

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

Approved December 19, 2017

Timothy Rush, Acting Chairman

Todd A. Danielson, Clerk