

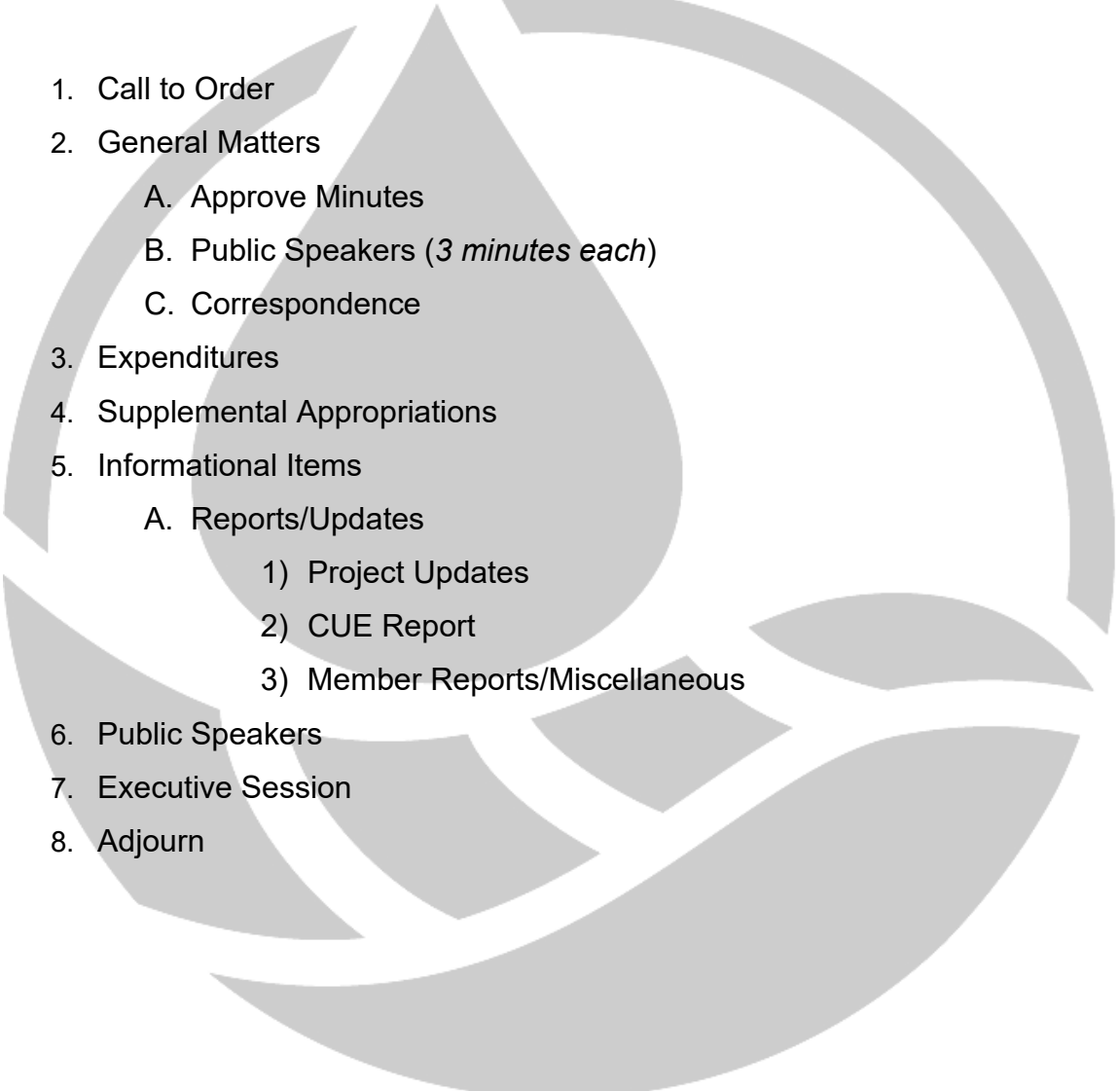
AGENDA

For

Tuesday

December 19, 2023

6:30 PM

- 
1. Call to Order
 2. General Matters
 - A. Approve Minutes
 - B. Public Speakers (*3 minutes each*)
 - C. Correspondence
 3. Expenditures
 4. Supplemental Appropriations
 5. Informational Items
 - A. Reports/Updates
 - 1) Project Updates
 - 2) CUE Report
 - 3) Member Reports/Miscellaneous
 6. Public Speakers
 7. Executive Session
 8. Adjourn

Avon Lake Regional Water
MEMORANDUM

To: **Board of Municipal Utilities**
From: **Rob Munro**
Subject: **Agenda Items – December 19, 2023**
Date: **December 15, 2023**

Item 1: **Call to Order**
Item 2A: **Approve Minutes**
Item 2B: **Public Speakers**
Item 2C: **Correspondence**
Item 3: **Expenditures**
Item 4: **Supplemental Appropriations – RKM**

To properly account for specific budget line-item overages it is necessary to make supplemental appropriations to the 2023 budget. The most significant appropriation is in the 701 – Water Fund for Repair & Maintenance Supplies/Services. The major factor for this appropriation is the replacement of water meters in the distribution system. This trend will continue in the 2024 fiscal year and is accounted for in the approved budgets. While some budget line-items were over budget there were several that came in under budget. The CUE will have a complete year-end report for the Board sometime in January 2024.

Recommended Motion:

I move to authorize supplemental appropriations for the 2023 budget year in accordance with the CUE memo dated December 15, 2023.

Item 5A1: **Project Updates – GKY**

Power Plant Update: Demolition continues on the main power plant site on the east side of the property.

ETL Design Services: No update.

WFP Improvements: Engineering Department staff continues to work with HDR to address all questions received on the Bid Express platform pertaining to the project. Bids are due by noon on December 22, 2023.

Additional Storage Building: Received a shipping date for the commercial wash bay components of December 28, 2023. Punch list walkthrough and completion of all utility contract work still on schedule of being completed by December 22, 2023.

Traveling Screen Replacement: No updates.

Inductively Coupled Plasma Mass Spectrometer (ICP): Staff is waiting on results of side-by-side testing. They will begin analyzing wastewater samples and are preparing for certification by Ohio EPA so that laboratory will have the ability to analyze drinking water metals early in 2024.

Item 5A2: **CUE Report – RKM**

Item 5A3: **Member Reports/Miscellaneous**

Item 6: **Public Speakers**

Item 7: **Executive Session**

The CUE requests an Executive Session to discuss pending legal matters. The CUE does not anticipate any Board action after the Executive Session.

Recommended Motion:

I move to meet in executive session as allowed by ORC §121.22 (G)(3) to discuss pending legal matters, and to include the CUE, the CUO, and a representative from Mansour Gavin.

Item 8: **Adjourn**

Board of Municipal Utilities
Organizational Meeting Minutes
December 5, 2023
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. Dzwonczyk, Mr. Rickey, Mr. Rush, and Mrs. Schnabel.

Also present: CUE Munro, CUO Yuronich, Attorney Anthony Coyne of Mansour Gavin, Mayor-elect Spaetzel and councilman-elect Shamir.

Appointments

A. Chairman

Mr. Abram moved, Mr. Rickey seconded, that John Dzwonczyk be appointed Chairman for the next two years, 2024-2025, with an additional \$1,000 per year in compensation.

Mr. Rush added that the motion should include the years 2024-2025. All other motions will be addressed in this manner as well.

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

Nays: None

Motion carried.

B. Acting Chairman

Mr. Dzwonczyk moved, Mrs. Schnabel seconded, that Tim Rush be appointed Acting Chairman for the next two years, 2024-2025, without additional compensation.

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

Nays: None

Motion carried.

C. Clerk

Mr. Dzwonczyk moved, Mr. Rush seconded, that Robert K. Munro be appointed Clerk of the Board for the next two years, 2024-2025, without additional compensation.

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

Nays: None

Motion carried.

D. Acting Clerk

Mr. Rush moved, Mr. Abram seconded, that in the event of the CUE's absence, the CUO be

appointed Acting Clerk of the Board for the next two years, 2024-2025, without additional compensation.

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

Nays: None

Motion carried.

E. Committee Assignments

Mr. Abram moved, Mr. Rickey seconded, that the following committee appointments be made:

Committee Designation	Current Board Appointee	Alternate Board Appointee
Wholesale Customers	Mr. Dzwonczyk	Mr. Rush
Board Compensation	Mr. Dzwonczyk	Mr. Rush
LORCO	Mr. Abram	Mr. Rickey
Communications	Mrs. Schnabel	Mr. Abram
Finance Committee	Mr. Rush	Mr. Dzwonczyk
Human Resources	Mr. Rush	Mr. Rickey
Building & Utilities Committee	Mr. Rickey	Mr. Rush

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

Nays: None

Motion carried.

Meeting Times and Place

Mrs. Schnabel moved, Mr. Rush seconded, that the Board of Municipal Utilities maintain their regular meeting nights as the first and third Tuesdays every month at 6:30 PM (or immediately after the Work Session) for 2024 and 2025 and that all meetings be held at the Avon Lake Regional Water Office at 201 Miller Road, Avon Lake, unless otherwise noted. I further move that the Board continue its tradition of forgoing the second meeting in July and the first meeting in August for a summer recess.

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

Nays: None

Motion carried.

Mrs. Schnabel moved, Mr. Rickey seconded, that the Board of Municipal Utilities hold its work session prior to its regular meeting on the first and/or third Tuesdays every month, as

necessary, and begin at 6:00 PM for 2024 and 2025 and that all meetings be held at the Avon Lake Regional Water Office at 201 Miller Road, Avon Lake, unless otherwise noted.

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

Adjourn

As there was no further business, Mr. Abram moved, and Mr. Rickey seconded, to adjourn. The meeting adjourned at 6:38 PM.

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

Approved December 19, 2023.

John Dzwonczyk, Chairman

Robert Munro, Clerk

DRAFT

Board of Municipal Utilities
Meeting Minutes
December 5, 2023
201 Miller Road
Avon Lake, Ohio

Call to Order – Roll Call

The meeting was called to order at 6:38PM following the organizational meeting. The meeting was held in-person using web-based video conferencing technology and streamed live over Facebook.

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

Also present: CUE Munro, CUO Yuronich, Attorney Anthony Coyne of Mansour Gavin, Mayor-elect Spaetzel and councilman-elect Shamir.

Approve Minutes

Mr. Dzwonczyk presented the Minutes of the November 21, 2023 work session. With no additional changes, additions or corrections noted, he ordered that the minutes stand and be distributed as presented.

Mr. Dzwonczyk presented the Minutes of the November 21, 2023 regular meeting. With no additional changes, additions or corrections noted, he ordered that the minutes stand and be distributed as presented.

Public Speakers

None.

Correspondence

Mr. Munro informed the Board that Avon Lake Regional Water has received confirmation of the receipt of two grants. The first grant was awarded by the Ohio Bureau of Workers Comp with the Safety Intervention Grant for \$40,000 for the purchase of the portable traffic signals. The second grant was awarded by the Ohio Environmental Protection Agency for \$50,000 through the Lead Service Line Grant. The grant covered a majority of the software and computer hardware for the camera truck. That grant is now closed out also.

Expenditures

Following review of expenses for funds and amounts as follows, Mr. Abram moved, Mr. Rush seconded, to approve the expenditures of November 17 through November 30, 2023:

Water Fund 701	\$	189,927.92
Wastewater Fund 721	\$	155,249.01
ETL1 Fund 703	\$	4,838.99
ETL2 Fund 762	\$	5,655.30
LORCO Fund 749	\$	7,305.84
Water Construction Fund 704	\$	184,013.78
Wastewater Construction Fund 724	\$	2,469.49

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

Nays: None
Motion carried.

WFP Operator

Mr. Munro informed the Board that Brandon Brown will begin as an operator at the Water Filtration Plant (WFP) on January 2, 2024 at pay step 2. Mr. Brown currently holds an Ohio EPA Class II Water Supply License and is working on his Class III license. Mr. Munro stated that once Mr. Brown obtains his Class III license, he will immediately advance to pay step 3. Mr. Munro added that staff would like to welcome Mr. Brown to our team and look forward to his start date in January.

2024 Budgets

Mr. Munro stated that as was discussed at the November 21, 2023 work session, the proposed budgets for the 2024 fiscal year were presented to the Board. Mr. Munro added that overall, the financial health of ALRW is strong and continues in a positive direction. Mr. Munro stated that much of this success is attributable to the conservative, yet progressive, approach that the Board of Municipal Utilities, as well as staff, has taken over the past two decades. Mr. Munro stated that while revenues were down approximately eight percent for 2023 due to a very wet summer, staff has managed to reduce expenditures as much as possible to offset the reduction in revenue. Mr. Munro added that the balanced budgets as presented include the minor rate increases approved by the Board and that these are the first rate increases in three years in spite of a significant increase in expenses. Mr. Munro also informed the Board that even with the slight increase in water rates, ALRW still has the lowest water rates of any incorporated city within the state of Ohio.

Mr. Munro stated that the only changes to the budget from the version presented on November 21, 2023 were the rounding of the numbers as requested by the Chairman.

Mr. Rickey moved, Mrs. Schnabel seconded, to approve the 2024 Fiscal Year budgets as presented by the CUE.

Mr. Rickey stated that although he had previously expressed concern and did not initially support any rate increase, he was pleasantly surprised with the modest increase that was presented and feels that the CUE and other ALRW staff have done a good job in maintaining the financial security of the organization.

Mr. Abram inquired if the total budget was forty-three or forty-four million dollars. Mr. Munro responded that he believed it was just shy of forty-four million dollars.

Mr. Dzwonczyk added that the things that the Board and ALRW Staff are doing together have enabled the organization to not over-burden the household budgets of the quarter of a million constituents that rely on ALRW for their water.

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

Techwin Agreement

Mr. Munro stated that at the November 21, 2023 meeting he had presented to the Board a draft cooperative agreement with Techwin, Co. Ltd for the supply and installation of an on-site sodium hypochlorite generating station. Mr. Munro said that this partnership will allow Techwin to install their equipment at ALRW facilities to produce a 12% strength solution which would be a first in the United States at a water utility. Mr. Munro added that Techwin is trying to enter the United States market and that the Cleveland Water Alliance, led by Bryan Stubbs, had introduced the two parties. Mr. Munro stated that the timing of this venture works perfectly with ALRW's chemical upgrades that will be taking place at the WFP in the near future as that project includes plans to switch from using chlorine as a disinfectant to using sodium hypochlorite that will be delivered in bulk at the 12% strength. Being able to produce sodium hypochlorite at this concentration would help isolate ALRW from supply chain issues and could potentially develop into offering this product for sale to bulk customers or other consumers. Mr. Munro added that based off of feedback received at the last meeting, there were some minor changes introduced that allows ALRW staff to retain control over access to the facility and to clarify the insurance responsibility requirements for Techwin.

Mr. Munro also added that there is a clause that was added in the agreement that states it is a three-year term that can be extended for additional terms as agreed upon by both parties.

Mr. Rush moved, Mr. Abram seconded, to authorize the CUE to execute the agreement as amended with Techwin Co., Ltd. For an on-site sodium hypochlorite generating system per the presented agreement as amended.

Mr. Rickey expressed his concern that although references to the equipment imply that it is free, he feels there is significant cost to ALRW. Mr. Munro responded that the ALRW Engineering Department has requested quotes to obtain approximate costs of what the equipment ALRW is required to procure. Mr. Munro also stated that staff will still have to get the Board's approval for any purchases related to this project. The approval at this meeting is strictly related to the agreement with Techwin and does not allow staff to freely spend funds.

Mr. Rickey also sought clarification as to whether this agreement is tied in any way to the prior approval of engineering design services from HDR related to on-site generation at the WFP. Mr. Munro stated that if this system performs as expected it will significantly reduce the costs required to construct an installation of generating equipment in the future. Mr. Munro added that this system is scalable so even though it won't initially supply all of the sodium hypochlorite needed, it can have additional units added and increase capacity as needed.

Mr. Rickey further stated that he feels you can purchase a lot of sodium hypochlorite for the money that needs to be spent to perform this equipment trial. Mr. Dzwonczyk replied that having on-site generation provides the added benefit of insulating ALRW from supply chain issues such as when chlorine products were in short supply and that a utility without disinfection chemicals won't be able to produce any water.

Mr. Abram stated that historically Avon Lake Regional Water has always been on the cutting-edge of utilizing new technologies and he felt this was another example of ALRW being a leader.

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

Nays: Rickey

Motion carried.

Project Updates

Power Plant Update: Mr. Yuronich informed the Board that work continues on the main portion of the power plant property on the north side of Lake Rd. Mr. Yuronich also showed photographs that provided a visual description of the work that was performed to connect the retention pond to the storm sewer in response to a request that Mrs. Schnabel had made at the last meeting. Aerial drone photos and ground level pictures were taken and the excavations were visible.

Mr. Rickey asked if they had relined the retention pond. Mr. Munro stated that they removed the original liner and had cleaned the debris out of the retention pond.

Mr. Dzwonczyk stated that he felt that eventually there should be a fence installed around the pond as a safety measure but understood that this would be something that the current owner is not obligated to install as the site is currently secure.

Mr. Rush inquired if the additional flow would cause a backup in the existing 24-inch that the retention pond was connected to. Mr. Munro stated that while storm water is something under the City's purview, Mr. Gaydar had been asked to review the plans to prevent a conflict of interest from Mr. Howard of Bramhall Engineering as Bramhall is contracted by both the City and ALERG. Mr. Munro stated that Mr. Gaydar's review deemed the plans satisfactory.

Councilman-elect Shamir inquired if there was a permit that was issued to complete the tie-in to the storm sewer. Mr. Munro stated that there was a permit issued by the Ohio Environmental Protection Agency (OEPA). Mr. Shamir stated that he was unable to locate a permit and when he inquired the City of Avon Lake told him that no permit was required. Mr. Shamir added that in order to connect this site to a Clean Water Act permitted lake there would have had to have been an approval process. Mr. Shamir also added that ALERG had been in violation of its discharge permit for thirty-one consecutive days from April to June of 2023.

Mr. Dzwonczyk stated that the retention pond had been in service probably since the Second World War and the recent removal of the coal would certainly mitigate any ongoing environmental effects, but in any case, the existing discharge would have the same water as would the new discharge location. Mr. Dzwonczyk questioned what the concentration of mercury in our produced water was and Mr. Yuronich answered that it was "undetectable."

Mr. Munro responded that he did not feel that was a completely accurate description. Based off of the information that ALRW had at the time it was one sample violation which then gave them the violation for the entire sampling period of one-month, May 2023. Mr. Munro also added that although the concentration of mercury exceeded the permit level, the permit was based off of the operational capacity of almost four million gallons per day. Currently the site is stating they have discharges in the amount of only about sixty thousand gallons per day so the amount of mercury discharged on a weight-basis is much, much less than if the power plant had still been operating at its past discharge flow rates.

Mr. Dzwonczyk stated that this appears to be a much more involved discussion than what can take place in this setting and encouraged Mr. Shamir and staff to follow up on this conversation in the appropriate setting. Mr. Dzwonczyk also added that he hopes Mr. Shamir understands that although all of the information is not conveyed publicly that ALRW is aware of and is staying on top of the situation.

ETL Design Services: Mr. Yuronich stated that the CUE received a redlined update to the agreement with Railpros and that agreement is currently under review.

WFP Improvements: Mr. Yuronich informed the Board that on November 17, 2023 the mandatory pre-bid meeting ALRW staff and HDR hosted about twenty-five attendees from the various firms that may bid on the project. Mr. Yuronich stated that there have been a large number of questions posed through the Bid Express platform that is hosting the bid. There have also been some questions raised about the requirements imposed by some of the funding methods that will be used such as the American Iron and Steel Act (AIS), the Build America, Buy America (BABA) Act and Water Infrastructure Finance and Innovation Act (WIFIA) and that these have led to a few situations where there are sole-source providers available for equipment. HDR and ALRW staff are currently working to see if there are additional providers that could be specified to increase competition. Because of these issues staff has elected to push the bid opening back one week. Bids will now be opened on December 22, 2023 at noon instead of the original date of December 15, 2023. Mr. Yuronich stated that staff feels this is worthwhile as every effort to control costs is worth it.

Mr. Rickey inquired about how many of the attendees were from general contractors. Mr. Munro stated that there are two prime bidders, Great Lakes Construction and Kenmore Construction.

Additional Storage Building: Mr. Yuronich stated that during this week there were inspections taking place by the Avon Lake Fire Department related to the exhaust fans, carbon monoxide monitoring equipment and fire alarm systems. Mr. Yuronich stated that the punch list walkthrough will take place the week of December 18, 2023. Mr. Yuronich also added that Northbay Construction hopes to have the utility work and punch list completed and invoiced by December 22, 2023 to close out the utility portion of the contract. Mr. Yuronich also added that the delivery of the wash bay equipment has yet to be confirmed.

Traveling Screen Replacement: Mr. Yuronich stated that the travelling screen continues to operate in manual mode only as staff is awaiting a programmable logic controller (PLC) that will allow programming of the unit along with complete integration into the SCADA system. Once this is complete WFP operators will be able to see real time information and manage the functionality of the screen from their control room PC. At a minimum the screen will make one rotation per day. If there is a blockage of the screen detected, it will cycle more often as needed.

Several pictures documenting the installation of the travelling screen were shown to give the Board and the public an idea on the size of the equipment and what it took to install this at the WFP. A video was also shown of the travelling screen in operation.

Mr. Dzwonczyk inquired about the type of water used to rinse off the screen. Mr. Yuronich stated that it is potable water used. Mr. Dzwonczyk asked how many gallons of water per day are used. Mr. Yuronich replied that he would have to get an answer on that. Mr. Dzwonczyk also inquired if this was a unique piece of equipment and Mr. Yuronich replied that although there are different heights used, the equipment is fairly standard.

Inductively Coupled Plasma Mass Spectrometer (ICP): Mr. Yuronich informed the Board that WFP Lab staff has completed their method development with the Thermo Scientific chemists and are now running side by side tests with a commercial laboratory. The only step remaining is certification through the Ohio EPA. Staff hopes to be fully certified by mid-January of 2024.

CUE Report

Mr. Munro stated that at the November 27th Avon Lake City Council Meeting they had passed two ordinances. One was for the new job description for the Business and Financial

Coordinator position that the Board had previously approved and one addressed the non-bargaining unit pay ranges.

Miscellaneous & Member Reports

None.

Public Speakers

None.

Executive Session

Mr. Rush moved, Mr. Abram seconded to meet in executive session as allowed by ORC §121.22 (G)(1), (G)(2), and (G)(3) to discuss personnel matters, the purchase and/or sale of property and pending legal matters and to include the CUE, the CUO, and a representative from Mansour Gavin.

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

Nays: None

Motion carried.

The Board entered Executive Session at 7:33 PM.

The Board reconvened the public meeting at 8:41 PM.

Adjourn

As there was no further business, Mr. Abram moved, and Mr. Rush seconded, to adjourn. The meeting adjourned at 8:43 PM.

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

Nays: None


Motion carried.

Approved December 19, 2023.

John Dzwonczyk, Chairman

Robert Munro, Clerk

Avon Lake Regional Water
MEMORANDUM

To: **Board of Municipal Utilities**
From: **Rob Munro, CUE** 
Subject: **2023 Supplemental Appropriations**
Date: **December 18, 2023**

I request the Board approve the following supplemental appropriations for the 2023 Fiscal Year:

From Fund 701 Balance **Current Fund Balance: \$6,229,440.89**

To Fund 701 - Water Fund

<i>Account Number</i>	<i>Account Description</i>	<i>Appropriation</i>
180.000.51106	Overtime Wages	\$ 30,000.00
180.000.53612	Repair & Maintenance Supplies/Services	\$ 490,000.00
180.000.53613	Lab Supplies & Lab Work	\$ 30,000.00
180.000.53710	Insurance Premium	\$ 39,000.00
180.000.53907.002	Bank Fees (Legal Fees)	\$ 52,000.00
	Fund 701 Total	\$ 641,000.00

From Fund 703 Balance **Current Fund Balance: \$338,210.42**

To Fund 703 - ETL1 Fund

<i>Account Number</i>	<i>Account Description</i>	<i>Appropriation</i>
180.000.53612	Repair & Maintenance Supplies/Services	\$ 50,000.00
180.000.53701	Contractual Services	\$ 19,000.00
	Fund 703 Total	\$ 69,000.00

From Fund 721 Balance **Current Fund Balance: \$4,878,973.80**

To Fund 721 - Wastewater Fund

<i>Account Number</i>	<i>Account Description</i>	<i>Appropriation</i>
190.000.53602	Office Supplies	\$ 8,000.00
190.000.53613	Lab Supplies & Lab Work	\$ 10,000.00
190.000.53710	Insurance Premium	\$ 31,000.00
190.000.53901	Refunds & Reimbursements	\$ 5,000.00
190.000.53907.002	Bank Fees (Legal Fees)	\$ 7,300.00
	Fund 721 Total	\$ 61,300.00

From Fund 749 Balance **Current Fund Balance: \$506,611.88**

To Fund 749 - LORCO Custodial Account Fund

<i>Account Number</i>	<i>Account Description</i>	<i>Appropriation</i>
000.000.53701	Contractual Services	\$ 29,000.00
000.000.53760	Misc Expenses	\$ 11,000.00
000.000.53901	Refunds & Reimbursements	\$ 37,000.00
Fund 749 Total		\$ 77,000.00

From Fund 761 Balance **Current Fund Balance: \$3,191,875.11**

To Fund 761 - ETL2 Fund

<i>Account Number</i>	<i>Account Description</i>	<i>Appropriation</i>
000.000.53611	Operating Supplies	\$ 2,900.00
000.000.53612	Repair & Maintenance Supplies/Services	\$ 25,000.00
000.000.53704	Utility - Water and Sewer	\$ 225,000.00
Fund 761 Total		\$ 252,900.00

Total Appropriation **\$ 1,101,200.00**