

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
APRIL 1, 2010

Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:30 p.m. by Darnell Brown.

I. Roll Call

PRESENT: D. Brown
D. DePiero
G. Starr
J. Bacci
S. Kelly
W. O'Malley
R. Sulik

The Secretary informed the President that a quorum was in attendance.

II. Approval of Minutes

Mayor Starr indicated that in the last paragraph on page five he intended to use the word "millions" instead of "billions" when referring to the amount of damage caused by stormwater, and he requested that the minutes from the March 18, 2010 Board meeting be amended to reflect this correction.

MOTION – Mayor DePiero moved and Mr. O'Malley seconded that the minutes of the March 18, 2010 Board meeting be approved as amended. Without objection, the motion carried unanimously.

III. Public Session

Executive Director Ciaccia advised that no members from the public registered to speak at Public Session.

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IV. Executive Director's Report

Executive Director Ciaccia moved to the first report item regarding the negotiations with the state and federal governments regarding the Combined Sewer Overflow Long Term Control Plan (hereinafter "CSO LTCP"). The District was initially scheduled to meet with the governments on February 25th regarding the CSO LTCP; however, that meeting was cancelled and rescheduled for April 13, 2010.

Executive Director Ciaccia stated that when he was in Washington D.C. during the week of March 23rd he an opportunity to meet with many of his peers in the industry wherein it was indicated to him that many utilities are involved in negotiations with state and federal governments over CSO LTCPs. Executive Director Ciaccia advised that we need to "set some context" since entities are in different stages of their programs to mitigate CSOs. Many other agencies do not have "as a mature a program" as the District, and there are "varying degrees of effort" in developing programs. Executive Director Ciaccia emphasized that "we are not alone in this regard." There are some utilities that have significantly more CSO volumes when compared with the District's program. Executive Director Ciaccia indicated that he wanted to inform the Board and the public to be mindful that from a comparative standpoint, the District's negotiations with the governments are going to be very difficult.

The District has already significantly decreased the amount of CSOs discharged into this region and has invested heavily in infrastructure to mitigate CSOs. When this initiative began, this region was discharging approximately 9 billion gallons of CSOs into the environment, and today that amount has been reduced to 4.7 billion gallons in a typical year. Executive Director Ciaccia advised that four of the Board members have been on the Board for quite some time and have been instrumental in this CSO initiative by passing the necessary rate increases in order to fund the new infrastructure that was needed.

In an effort to further mitigate CSOs there are several projects the District is working on including the Euclid Creek Tunnel (hereinafter "ECT") project, which is currently under design and anticipated to be bid sometime in 2010. The Tunnel Dewatering Pump Station (hereinafter "TDPS") is currently under design. The District received approval from the governments to proceed with the Dugway Storage Tunnel (hereinafter "DST") project. The Mill Creek Tunnel (hereinafter "MCT") is near completion.

Executive Director Ciaccia explained that the aforementioned projects are expected to capture an additional 2.5 billion gallons of CSOs annually without a Consent Decree. Therefore, the District has demonstrated its commitment to mitigating CSOs and Executive Director Ciaccia stressed that the CSO issue is a very serious problem.

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Executive Director Ciaccia referred to inorganic debris that he discovered along the beaches as a young man and how working for the District has shed light on how certain objects materialized on the beaches. It was through CSOs.

One of the District's primary challenges will be to effectively communicate the continuous causes of CSOs and the importance of taking on this issue. Executive Director Ciaccia advised that the District will continue to move forward with this important initiative; however, it is going to require substantial funding.

The negotiations with the governments will continue and ultimately we will be entering into a Consent Decree. According to Executive Director Ciaccia, parties involved with the negotiations have been honest and earnest with their approach. We are entering a "red zone" and the District will continue to work with the governments in order to achieve the most flexible CSO LTCP since this is going to be a 20, 25 or 30-year program and over time things will change therefore flexibility will need to be built into the program.

Executive Director Ciaccia explained that during this negotiation process, there are high expectations and some of those may even be false, for instance, the green infrastructure initiative. Some agencies believe that that green infrastructure approach is going to be the most efficient means of capturing CSOs, and that the governments will "approve green infrastructure as a sole means of tackling this problem." The District has chosen to balance all of these expectations in order to develop a rational plan that meets our needs.

Executive Director Ciaccia indicated that there will be further discussions on these issues and that there is as an upcoming meeting scheduled with the governments on April 13th. Staff will keep the Board apprised of the discussions with the governments in an Executive Session. Executive Director Ciaccia indicated that he will continue to publicly discuss the issues that can be disclosed and that he suspects that the District will "have its hands full" as it relates to the outreach and communications over the next year. Public education is going to be critical especially the need to educate individuals who are not familiar with the wastewater industry.

Executive Director Ciaccia moved to the next report item regarding stormwater management, a key initiative for water quality. He advised that CSOs and wastewater management is a point source pollution and that stormwater is a non-point source. It is argued that stormwater poses a bigger problem to our environment than the point source pollution.

The District is continuing to carry out its Stormwater Management Program (hereinafter "SMP"). There have been no new developments with the case pending in the Summit County Court of Common Pleas. Judge Timothy McMonagle recused himself from the

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case pending in the Cuyahoga County Court of Common Pleas, and the case has been assigned to Judge John Russo. The Case Management Conference (hereinafter "CMC") originally scheduled for April 9th has not yet been rescheduled. Most communities were required to file their responses to the District's action by April 2nd. Six communities gave consent and agree with the District's authority to implement the SMP. Twelve communities do not agree nor disagree with the issue, but have in turn requested that the court to make the final determination. Sixteen communities filed in disagreement with the District's authority to implement a SMP, and twelve of those communities are from Summit County. Eleven communities recently filed a Motion for Definite Statement, and Executive Director Ciaccia turned discussion over to Director of Law, Marlene Sundheimer to further explain this matter.

Ms. Sundheimer advised that the District received today a Joint Motion for Definite Statement which means that they believed the District's complaint for Declaratory Judgment was too vague, and that they could not deny or admit to the allegations of the District's complaint. They are unsure as to how the District intends to impose SMP fees since this is a watershed-based program. Ms. Sundheimer described this to be a "delay-tactic" but this provides the District with an opportunity to reach out to them and stipulate on a community-by-community basis which parcels will be receiving a stormwater bill. Ms. Sundheimer explained that many of the communities are served partially by the District. Ms. Sundheimer advised that instead of fighting this issue and opposing the Motion for Definite Statement, the District intends proposing a stipulated response in an attempt to resolve their issues.

Mr. Brown inquired if there will be a forthcoming outcome. Ms. Sundheimer replied that the outcome will most likely be a journal entry or some type of agreement so they can file an answer and move ahead.

Executive Director Ciaccia indicated that the District has been advised that Ohio State Senator Tim Grendell (R-District 18) proposed an amendment to Senate Bill 110, which involves rules for household septic tanks. This amendment would impact Ohio Revised Code (hereinafter "ORC") §6119. Executive Director Ciaccia turned discussion over to Deputy Director of Law Lisa Hollander, to discuss this issue.

Ms. Hollander reiterated that the District is involved in several judicial challenges to the SMP. Now the District is facing a proposed amendment to a potentially fast-moving bill. Essentially, the legislation is designed to prevent the District from charging a stormwater fee. The amendment would add to ORC §6119 the requirement that any fee that is not a "user charge" or a "special assessment" would require a vote of the electorate. In addition, if a special assessment is used, the proposed amendment would change the standard of evaluation to whether the assessment is fair and reasonable.

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Ms. Hollander explained that the proposed amendment would potentially limit the District's ability to impose a stormwater fee. If that fee was determined to be other than a user charge, then we would have to go to the vote of the electorate which would slow down implementation of the SMP.

Ms. Hollander indicated that there are different ways of interpreting this amendment. The District could potentially argue that the SMP fee is a user charge and the Board would retain the authority to impose a charge. However, if this amendment goes forward, it would compromise the original purpose of ORC §6119, which authorizes the District to address district and regional problems without being impacted by political affiliations or objections by the voters.

Ms. Hollander advised that the District has initiated a campaign to inform the legislators of the impact this amendment would have on the District's SMP, and that we plan to gauge their understanding and support of our opposition to said provision.

Mr. Brown commented that he understands the "intent" of this legislation, and that sometimes there are "unintended consequences." He inquired about the other "unintended consequences" of this provision. Ms. Hollander replied that she has discussed this issue with various entities who represent other §6119 districts. Regarding the requirement for a vote of the electorate, there could potentially be other charges that we may want to impose that would be covered by this requirement. The definition of "user charge" as included in this amendment refers to the specific service or use of a facility or a project by specific ratepayers. Stormwater fees across the country have been interpreted to be a user charge that would qualify under this definition. However, whether a court in this area would agree is unknown and this would put the District's stormwater program at risk.

Regarding special assessments, Ms. Hollander speculated that smaller districts operating under ORC §6119, of which there are many throughout the state of Ohio, finance most of their infrastructure improvements through special assessments and would therefore be impacted in their ability to complete those projects in a timely fashion.

Mayor DePiero inquired if the bill were to pass as currently written, "could this affect a program that is already in effect?" The Board has already voted to implement the SMP and certain districts have existing stormwater programs. Mayor DePiero commented that "they are passing an *ex post facto law* [and] I don't think they can do that."

Ms. Hollander indicated that there is a grandfathering provision, as well as an amendment to the amendment which exempts fees to pay for requirements mandated by a federal or state consent decree. In that case, the fees would be user charges and not require a vote. The District's argument would be that the Board has voted; however, the SMP and the

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fee have not yet been imposed. Therefore, it would depend on an interpretation of "existing program."

Executive Director Ciaccia advised that the principal author of the proposed bill was Sheldon Berns, Esq., the attorney representing the businesses trying to intervene on the District's case.

Executive Director Ciaccia commented that it is paramount for the District to move forward with the SMP and we anticipate sending out the first SMP bill by July 1, 2010. However, there are three outstanding issues that could potential affect the proposed date, which includes the litigation, the City of Cleveland Division of Water (hereinafter "CWD") billing system, and the SMP Credit Policy. Executive Director Ciaccia stressed that the District will not go-live with the SMP until we are confident that we have effectively communicated the SMP Credit Policy to our customers.

Executive Director Ciaccia moved to the next report item and thanked Ms. Kelly for attending Rose George's lecture at the Great Lakes Science Center and also for introducing Ms. George who authored the book, *The Big Necessity*. Over 200 attendees participated in Ms. George's lecture on sanitation issues in parts of the world. Executive Director Ciaccia described the lecture as "very enlightening" and "interesting" and he advised that the lecture was taped for anyone interested in viewing it.

Executive Director Ciaccia moved to the last report item, and he advised that the District will be in mediation on April 5th and April 6th with KM&M on the BCI-3D litigation matter involving the blistered polyurea pipe. Any possible agreements made during mediation must be ratified by the Board and therefore the Board will most likely convene into an Executive Session at the April 15th Board meeting in order to discuss the mediation outcome as well as the discussions held during the April 13th meeting with the governments regarding the CSO LTCP.

V. Action Items

Authorization to Release Draft Manual

Resolution No. 92-10

Authorization to release Draft Stormwater Fee Credit Policy Manual for member community review and comment.

MOTION – After discussion Mayor DePiero moved and Mayor Bacci seconded to adopt Resolution No. 92-10. Without objection, the motion carried unanimously.

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Executive Director Ciaccia advised that the SMP Credit Policy Manual is a complex issue and we anticipate refining this manual in order to make it more user-friendly for our customers.

Director of Watershed Program, Frank Greenland, indicated that “this is the next major step forward in the SMP.” Staff from various departments throughout the District as well as consultants attempted to create a SMP Credit Policy Manual that balances simplicity with the technical needs of this program. The handout provided to the Board was an iteration of what the District would like to send out to the member communities for review and comment. The Watershed Department plans working with Director of Administration and External Affairs, Constance Haqq, to develop a more user-friendly version of the SMP Credit Policy Manual in an attempt to guide residential and non-residential customers through the credit policy and steps needed in order to achieve SMP credits.

The SMP credits were established under Title V, the Stormwater Management Code. The District desires establishing credits as a financial incentive for customers to manage stormwater at the source and therefore reducing regional costs and preventing future problems from occurring as well as encouraging environmental stewardship and sustainability across our region.

Stormwater fee credits are achieved by implementing stormwater control measures to manage stormwater quality or quantity. This policy interfaces with the member communities, and the District wants to ensure that the facilities constructed by entities or property owners meet community standards, regulations and ordinances. Within the SMP Credit Policy Manual, there are references to “sign-offs” to ensure that customers are in compliance with applicable community codes.

The engagement of city engineers in this process will be instrumental. According to Mr. Greenland, some member communities expressed their desire of being involved with the SMP Credit Policy Manual process in order to understand the District’s approval process whereas another subset wanted less involvement. The District will need to strike a balance between those opposing viewpoints as we moves forward with the finalization of the SMP Credit Policy Manual.

Mr. Greenland advised that impervious surface areas draining into a stormwater facility, rain garden or detention basin will be eligible to receive the stormwater credits. There will be maintenance requirements and in order to continue receiving credits, customers must demonstrate that they are properly maintaining those facilities.

Mr. Greenland explained that there will be four different categories of available stormwater credits. Homeowners that manage stormwater, for example by installing rain

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barrels or rain gardens, are eligible to receive a 25% individual residential property credit. According to Mr. Greenland, this means of stormwater management will be simple to achieve since such facilities are easily installed and require minor engineering practices.

Quality and quantity credits will be applicable to all users in the service area but are harder to achieve since they involve more detailed structures and an engineering analysis in order for the District to approve the credit. Mr. Greenland advised that the maximum stormwater credit achieved by customers, except for schools, will be 75%.

Executive Director Ciaccia added that customers can easily achieve a 25% credit without much capital outlay. In order to receive the 75% credit, customers would have to spend a considerable amount of money. Therefore, he was unsure how many residential customers would be willing to construct more technical stormwater facilities since they may not receive a return on their investment.

Mr. Greenland moved discussion to the 25% education credit. Schools are the sole entities capable of achieving a 100% stormwater credit so long as they develop a stormwater educational program into the curriculum regarding stormwater quality and quantity controls.

Residential property owners will be able to apply for the individual residential property credit, stormwater quality credit and stormwater quantity credit. Homeowners can apply for a stormwater quantity or quality credit as an individual or a group application. Some residential customers reside in developments and belong to homeowners associations. Homeowner associations having installed large detention basins, which is on the list of approvable stormwater quantity credits, can apply as a group. If that application is approved, all homeowners within that association will receive the 25% stormwater quantity credit. Residential property owners can achieve up to a 75% credit.

Non-residential property owners can also apply for the stormwater quality and stormwater quantity credits, and based on the level of stormwater management, can achieve up to a 75% credit.

Mr. Greenland provided examples of stormwater management activities that residential customers can implement in order to achieve the individual residential property credit. Construction of rain gardens, rain barrels, or onsite storage facilities such as cisterns that capture stormwater runoff from rooftops or impervious areas are applicable.

Customers can also reduce their impervious surface area, for example, transforming a parking lot into a lawn or replacing driveways or parking areas with impervious pavement. If a customer meets certain size restrictions, then they can achieve the credit.

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The District will offer credits for vegetated filter strips such as redirecting downspouts to grass or vegetated areas in order to allow infiltration to occur so long as the property owner is in compliance with building codes and standards and is not creating problems for their neighbors.

The SMP Credit Policy Manual will include application procedures, examples of types of stormwater management facilities and the recertification requirements.

Mr. Greenland referred to an image depicting a rain garden wherein the garage downspouts were redirected into a depressed area allowing stormwater to percolate into the soil, which provides stormwater quality and quantity benefits. Customers demonstrating this type of stormwater management activity can achieve a 25% credit.

Mr. Greenland referred to an image depicting a cistern wherein the downspouts were directed into a storage device and the homeowner would use that stored stormwater at a later date. This type of stormwater management activity is eligible for the 25% credit.

Mr. Greenland advised that the District intends simplifying the application process. In order for the District to balance the administrative burden, customers will be required to recertify and reapply for their credits every 3 years.

Mayor Starr inquired as to where customers can purchase rain barrels. Mr. Greenland replied that they can be purchased at garden centers and that the market is receiving an influx of new suppliers.

Amy Brennan with the Chagrin River Watershed Partners advised that the County Soil and Water Conservation Districts regularly host workshops and that rain barrels can be purchased at those events as well.

Mr. Greenland advised that Ms. Brennan and Joe Ferenczy with URS assisted the District with the development of the draft SMP Credit Policy Manual.

Mayor Starr commented that he has “never seen a rain barrel anywhere in northeast Ohio” and he questioned if the District plans to become “more user-friendly” and provide a listing of vendors. Mr. Greenland advised that since this is an emerging market, the District will need to “get the word out on rain barrels” as it relates to the installation of these structures and working with partners in the community in order to identify locations where customers can purchase these types of facilities. Mr. Greenland indicated that this will be part of our outreach strategy moving forward.

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Executive Director Ciaccia added that many communities will need to change their ordinances in order to allow for some of these types of stormwater structures.

Mayor Starr commented that discussions have begun in Middleburg Heights as to color, size and location of the rain barrels, and he advised that he was not familiar with cisterns and he questioned "how much would something like this cost?" Mr. Greenland was unsure of the cost of a cistern.

Mayor Starr commented that "looking at the payback period...this looks like a commercial device." Mr. Greenland replied that although he was not sure about the actual cost of a 500 gallon or 700 gallon cistern, individuals employing these stormwater management activities are most likely interested in sustainable environmental practices and should be rewarded through SMP credits.

Mayor Starr inquired if the District intends to recommend certain perennial plants that thrive in rain gardens. Mr. Greenland replied that there are links to various websites within the SMP Credit Policy Manual that instruct customers how to build rain gardens. Also, there are rain garden design manuals available to customers which will guide individuals on how to build rain gardens. Mr. Greenland suggested that the District's public outreach efforts will increase and as we become more engaged in the community, we should consider holding educational workshops.

Mayor Starr inquired whether the District was aware of any impervious surface suppliers or manufacturers located in northeast Ohio area. Although Mr. Greenland did not have the names on hand, he replied that he has received calls from impervious concrete suppliers and that this market is evolving locally and nationally.

Mr. Greenland advised the District intends demonstrating stormwater activities and plans to share those results with local engineers, member communities and individual property owners.

Mr. Brown commented that Mayor Starr posed excellent questions and he also suggested that the District collaborate with other in order to develop a resource manual. Public outreach is going to be a significant piece in this initiative. Mr. Brown referred to a collaborative effort that occurred last year wherein the District, City of Cleveland and the City's sustainability team worked with "our youth program" and made rain barrels that were given to the community. He indicated that there are many ways to reach a practical outcome while providing educational experiences for the community and in particular, school-aged children.

Mr. Greenland commented that "there are existing materials" and "there is a lot more that we need to do." Our watershed program budget includes small scale demonstration

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project grants, which were offered last year. These projects typically involve rain gardens and bioretention cells. Mr. Greenland indicated that this is another educational opportunity that can be used to “get the word out” on how to effectively design and construct these facilities.

Mayor Starr commented that he attended “Homearama” and that “hundreds of thousands of people usually go to these.” Mayor Starr suggested that the District “use a model house as an example where we could collaborate and show how we could design and show off.” This will be “good visualization for media and TV.” Mr. Greenland replied that this was a great suggestion and “those are the types of opportunities we are looking for.”

Mr. Greenland moved discussion to the quality and quantity stormwater credits. The District will offer up to 25% credit to customers implementing measures to improve stormwater quality. The draft SMP Credit Policy Manual outlined three different steps for obtaining credits for measures taken to improve stormwater quality. The most sophisticated facilities will be eligible for obtaining the 25% credit, others at 20% and the less complicated facilities will be eligible for the 15% credit. Examples of stormwater quality measures include vegetative swales and bioretention cells, which receive stormwater runoff from parking lots. Pollutants are filtered through the soil median beneath the surface which benefits stormwater quality and also controls stormwater quantity.

Mr. Greenland advised that stormwater quantity significantly impacts this region and quantity credits can be obtained in two different categories. After rainfall, this region experiences peak rates of flow and large rushes of stormwater surge through the environment which causes erosion. The District plans to offer a 25% credit to customers managing stormwater during peak rates of flow.

Stormwater volume has increased due to the expansion of impervious areas. The existing strategy for managing stormwater volume was to simply “pipe it and send it downstream” and this alternative does not provide regional benefits. The District will offer a credit to customers managing stormwater volume onsite at the source, where it can infiltrate and reduce stormwater volume.

The maximum quantity credit will be given to customers managing stormwater during peak flows, for example, construction of detention basins designed to meet “the critical storm standard.” A reduced credit of 15% will be offered to customers having facilities meeting lower community standards. Older facilities not designed to meet community standards but still serving a stormwater function can achieve a 10% credit.

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Customers can achieve a 25% stormwater quantity credit for managing stormwater run-off volume. Green roofs, biofiltration or any other measures that can be taken to infiltrate stormwater into the soil median reduces volume is eligible for this credit. Mr. Greenland advised that the total stormwater quantity credit that can be achieved is 50% and is divided between peak flow and volume.

Mr. Greenland advised that the education credit is obtainable by schools only and “our intent is to reach kindergarten through 12th grade students at least three times throughout that cycle of education with environmental education related to stormwater management or watershed management.” For instance, a high school curriculum needs to include stormwater management or watershed management education and provide this information to its students at least one time between the 9th and 12th grades in order to be eligible for the 25% education credit. Mr. Greenland advised that the District has met with the schools and will continue this effort going forward to ensure this credit is easily achievable.

Mr. Greenland advised that the District is seeking the Board’s approval to distribute the draft SMP Credit Policy Manual to its member communities for review and comment. We will follow a similar protocol used when adopting Title V. On April 26th, the District anticipates meeting with the communities to discuss the draft policy and answer any questions. There will be a 30-day comment period. The District will issue written responses to anyone that provides us with comments.

The District anticipates presenting its communication of the credit administration and review plan to the Board on May 20th. Credit applications will have to be processed and reviewed in a timely fashion. The District anticipates presenting the finalized SMP Credit Policy Manual to the Board in June, and after Board approval, the District will begin accepting credit applications. The SMP Credit Policy Manual will also be posted on the District’s website.

Mr. Greenland concluded his presentation by informing the Board that the District has received calls from the Village of Cuyahoga Heights as well as other communities regarding the SMP credits, and he advised that District continues to work diligently in order to educate its customers on the potential SMP fees and how stormwater credits can be achieved.

Mr. Brown inquired about the staffing plan as this process moves forward. Mr. Greenland advised that we do not have enough existing staff to handle the first surge, but the stormwater budget will include line items for external resources. He anticipates that additional staff will be hired throughout the District in order to handle the SMP initiative since the credit applications need to be processed as quickly as possible, and during the first year of the SMP, credits will be applied retroactively.

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Mr. Sulik inquired if District staff will be monitoring stormwater facilities in order to make sure that they are being properly maintained. Mr. Greenland replied that this will be a point of discussion with the city engineers. District staff will be assigned to monitor and ensure that the proper reports are received. Customers desirous of obtaining quality or quantity credits will be required to indicate on an annual basis that maintenance was performed on their systems. Customers will also be required to recertify. Mr. Greenland advised that some city engineers expressed their desire to become involved with the monitoring of the stormwater facilities, and he was hopeful that the city engineers will provide feedback to the District during the comment period.

Ms. Kelly commented that there is the potential for many customers to apply for credits simultaneously and she inquired about the District's plan to monitor the facilities. Mr. Greenland replied that the recertification process will occur every 3 years. The draft application for credits will include "a check box to make sure that the installations are meeting community codes." A site sketch and photograph of the facility is also required. Mr. Greenland indicated that this process may present an administrative burden as it relates to ensuring the stormwater facility is installed and functional. Mr. Greenland plans to discuss this issue further with the local officials since it is unlikely that the District will be able to visit each site in any given year.

Ms. Kelly questioned that when the initial installation is made, the District is not planning to physically visit the site? Mr. Greenland replied that the District will require site sketches and photographs to ensure that the facilities were constructed, and that customers will have to provide "some type of proof" that rain barrels were installed. Mr. Greenland commented that the residential credit will provide some administrative burden.

Ms. Kelly commented that she was unsure how the District will be able to internally handle the review, approval or disapproval of all credit applications. Mr. Greenland agreed that it will be hard to manage initially but the applications will be simplified. The property owners will need to provide a site sketch and photograph of the stormwater control measures.

Mr. Brown questioned if some of these improvements namely the rain barrel will require permits from the respective municipalities. Mr. Greenland affirmed. The resident will be required to certify that they are in compliance with local building and zoning codes.

Mr. Greenland indicated that the site sketch and photograph of the facility will suffice for the SMP credit application process. Customers will be required to reapply and recertify every 3 years in order to continue receiving the stormwater credit. Which agency will be responsible for conducting site visits during that 3-year timeframe is a point of discussion between the District and local communities.

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Executive Director Ciaccia commented that the average residential customer will pay approximately \$57 annually in stormwater fees and that the 25% credit will amount to an approximate savings of \$14 each year. He was not sure how many customers will be willing to construct more technical facilities.

Mr. Greenland advised that there was a great internal debate regarding whether residential parcel owners should be provided with credit opportunities, and the administrative burden issue was taken into consideration. Many utilities only offer larger parcel owners credit opportunities, but "we felt that we could not offer credits to large parcels without giving our residents similar opportunities."

Mr. Brown inquired if the District researched best practices among other utilities offering stormwater management programs. Mr. Greenland affirmed and advised that we will continue to review best practices going forward in order to develop simpler more effective processes. The District's intent is to effectively manage regional stormwater.

Mayor DePiero agreed with Executive Director Ciaccia that most residential customers will probably not install rain barrels, and that this would be done by larger and commercial property owners. Mayor DePiero inquired if we spoke with individuals running similar programs and whether these programs were difficult to administer in other areas.

Mr. Greenland indicated that he has received conflicting viewpoints from other stormwater utilities. Credits have been described as either "a great thing" that engages the community, or the "worst thing we have ever done." However, the District "is in the game" and should "incentivize the region" by offering credits. Mr. Greenland commented that the District will need to identify ways in becoming more effective as well as simplifying the administration of this program.

Mayor DePiero raised concerns about possible fraudulent activity, for example, if an applicant submits a photograph with his application of stormwater measures taken on another's property, how will the District be able to determine that the facility was actually on the applicant's property. Mr. Greenland agreed that we need to look further into the issue of conducting site visits.

Mayor DePiero inquired that since some mayors have "taken the bold steps to charge their residents fees to handle stormwater on their own," and have we considered establishing citywide credits? Mr. Greenland commented that our primary focus has been on the parcel owners since they are the billed customers. Each parcel owner has an opportunity to manage stormwater quality and quantity. Furthermore, the street grid and certain non-self supporting municipal structures are exempt.

Authorization to Purchase

- Resolution No. 96-10 Annual purchase from Dell Marketing L.P., through the State of Ohio Cooperative Purchasing Program, desktop software licenses. Cost: \$154,490.70.
- Resolution No. 97-10 Annual purchase from Dell Marketing L.P., through the State of Ohio Cooperative Purchasing Program, PC and laptop hardware. Cost: \$244,003.76.

MOTION – Ms. Kelly moved and Mr. Sulik seconded to adopt Resolution Nos. 96-10 and 97-10. Without objection, the motion carried unanimously.

Authorization to Enter into Contract

- Resolution No. 98-10 One (1) year contract with Burgess & Niple, Inc. to provide professional design services for the Southerly Wastewater Treatment Center Preliminary Treatment Facility Improvements (SFPI-1). Cost: \$2,910,599.00.
- Resolution No. 99-10 One (1) year requirement contract with Dazzle Lawn Care for Lawn Maintenance Services at the George J. McMonagle Building, Environmental and Maintenance Services Center and off-Site facilities. Cost: \$46,665.64.
- Resolution No. 100-10 Two (2) year requirement contract with Great Lakes Petroleum Company for fuel management services at all District facilities. Cost: \$694,615.21.
- Resolution No. 101-10 Two (2) year requirement contract with Schindler Elevator Corp. for elevator maintenance services at all District facilities. Cost: \$287,271.32.

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Resolution No. 102-10

One (1) year contract with Gartner, Inc. for subscription to Information Technology Research and Advisory Services. Cost: \$60,860.00.

MOTION – Mr. Sulik moved and Mayor DePiero seconded to adopt Resolution Nos. 98-10 and 102-10. Without objection, the motion carried unanimously.

VI. Information Item

1. 2008 Comprehensive Annual Financial Report.

Director of Finance, Jennifer Demmerle, advised that the Board received a Certificate of Achievement for Excellence in Financial Reporting for its 2008 Comprehensive Annual Financial Report (hereinafter “CAFR”), which is the highest form of recognition in governmental accounting and reporting.

The Board congratulated Ms. Demmerle.

VII. Open Session

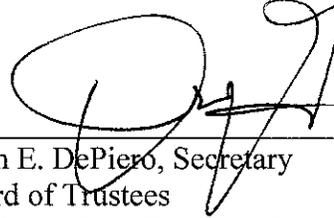
There were no items for discussion.

VIII. Public Session (any subject matter)

No members from the public registered to speak.

X. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor DePiero moved and Mr. O'Malley seconded the motion to adjourn at 1:38 p.m. Without objection, the motion carried unanimously.



Dean E. DePiero, Secretary
Board of Trustees
Northeast Ohio Regional Sewer District



Darnell Brown, President
Board of Trustees
Northeast Ohio Regional Sewer District