MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
FEBRUARY 21, 2013

Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:34 p.m. by Darnell Brown.

I. Roll Call

PRESENT: D. Brown
R. Sulik
J. Bacci
T. DeGeeter
S. Kelly
W. O'Malley

ABSENT: G. Starr

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

II. Approval of Minutes

MOTION – Mayor Bacci moved and Mr. Sulik seconded that the minutes of the February 7, 2013 Board meeting be approved. Without objection, the motion carried unanimously.

III. Public Session

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

IV. Executive Director’s Report

Executive Director Ciaccia moved to the first report item regarding the District’s financial report for January. Revenues were slightly behind the projected amount, which is not unusual for January since those amounts are contingent upon the City of Cleveland, Division of Water (hereinafter “CWD”) billing cycles. Executive Director Ciaccia advised that Operation and Maintenance (hereinafter “O&M”) is running under budget and stormwater numbers are factored into the financial report since stormwater fees have now been incorporated into the bills. As a result, revenues for stormwater are being
received. Stormwater O&M expenses have not yet been recorded. The District is in the process of putting together contracts and the tools needed for the maintenance and construction of the Regional Stormwater Management Program (hereinafter “SMP”).

Executive Director Ciaccia moved to the next report item regarding the bond account and he advised that cash balances continue to decrease, which was expected. As a result, the District is planning for a $300 million plus bond deal. The District will be meeting with Standard and Poor’s and Moody’s on March 6th and March 8th. The District’s current credit rating is AA1 and AA+ for those two agencies. Executive Director Ciaccia noted that the District is one step below the AAA rating, which is the highest rating achievable. The District is striving to reach AAA status and although it may seem like a lofty goal, the District’s financial performance is deserving of such standing. Executive Director Ciaccia advised that the District will provide its best presentation in an effort to achieve AAA status and realize the advantages that come with AAA standing.

Executive Director Ciaccia moved to the next report item and he advised that the Audit Committee met February 7th. It was the first Audit Committee meeting held since the installation of the two external committee members. Executive Director Ciaccia indicated that the meeting went very well and that District staff will engage in additional work reconstituting the Committee based on some of the recommendations made by the external Committee members.

Executive Director Ciaccia moved to the last report item and he advised that the District filed a lawsuit against Travelers Insurance (hereinafter “Travelers”) in the Cuyahoga County Court of Common Pleas. Travelers has held the District’s crime policy for many years. The District made a claim against said policy as it relates to the crimes committed by the former General Counsel with respect to the legal settlements that were fraudulently entered into for the MCT-2, MCT-3 and Tuxedo Avenue projects. Those claims total $7.3 million. The District is requesting a Declaratory Judgment from the court regarding the District’s rights under its insurance policies and to hold Travelers in breach of its contract for refusing to pay the claim to date.

Executive Director Ciaccia advised that he met with Director of Law, Marlene Sundheimer, Assistant Director of Law, Regina Massetti, outside counsel and representatives from Travelers and their attorneys. The possibility of mediation did not seem likely upon conclusion of said meeting, which is the reason for the District’s decision to proceed with filing the lawsuit.
V. Action Items

Authorization to Advertise

Resolution No. 19-13

One (1) year requirement contract for crane/hoist load testing at all District wastewater treatment plants and pump stations. Anticipated expenditure: $75,000.00.

MOTION – Mr. O’Malley moved and Ms. Kelly seconded to adopt Resolution No. 19-13. Without objection, the motion carried unanimously.

Authorization to Issue Request for Proposals (RFPs)

Resolution No. 20-13

Stormwater Inspection and Inventory (SII) project.

Resolution No. 21-13

Stream Restoration and Bank Stabilization General Engineering Services (SRABS) project.

MOTION – Mayor Bacci moved and Mayor DeGeeter seconded to adopt Resolution Nos. 20-13 and 21-13. After discussion and without objection, the motion carried unanimously.

Mr. Brown commented that the scope of the SII and SRABS projects establishes the design elements of the SMP. Mr. Brown indicated that his concern was that the District will inherit sole responsibility of the impacts caused by stormwater. Member communities are guided by the District with respect to the community discharge permitting requirements. Mr. Brown questioned how the stormwater findings identified under the SII and SRABS projects will be handled with respect to point-source issues.

Director of Watersheds, Frank Greenland, explained that the SII project is a stream walk. District staff will walk about 400 miles of stream to identify problems that either the District will need to handle through its O&M staff or present to Engineering as a project for consideration. The District may also discover localized problems and those respective communities will be informed of its responsibility.

Mr. Greenland referred to the SRABS project wherein he advised that the District will be identifying regional projects that the District intends constructing. During the District’s
discussions held with the member communities, the District stressed that the SMP is a plan that will address larger, regional issues. Local communities will need to maintain responsibility for local combined storm and sanitary sewer systems.

Mr. Greenland noted that the 25% community cost share proposal has caught the attention of the member communities. Those communities have now obtained a better appreciation and understanding of what those monies can be used for. Mr. Greenland predicts that there will be acceleration from the member communities for access to those funds.

Mr. Brown commented that it is an important issue and is comparable to the City of Cleveland’s payment management program which suggests that monies be geared towards projects that will remediate the most damaged areas. Mr. Brown suggested that the District take this example into consideration when discussing community cost share proposals.

Mr. Greenland added that the District will be initiating stormwater master planning activities in 2013 and that Watershed Advisory Committees (hereinafter “WACs”) have been established. The WACs are used to increase the communities’ awareness of the significant regional problems, priorities for implementation and issues discovered at the local level that are not covered under the District’s program. Communities are also being encouraged to engage their constituents. Mr. Greenland concluded by stating that the District plans to continue its engagement with the member communities as well as keep them apprised of the District’s SMP progress.

Authorization to Enter Into Contract

Resolution No. 22-13

Contract with Brown & Caldwell for professional design services for the Chemically Enhanced High Rate Treatment (CEHRT) Preliminary Design Development project. Contract amount: $4,247,980.00.

Resolution No. 23-13

Resolution No. 24-13
Contract with TranSystems Real Estate for general right of way services for the Right of Way Services-1 (ROW-1) project. Contract amount: $500,000.00.

Resolution No. 25-13
Contract with O. R. Colan Associates for general right of way services for the Right of Way Services-2 (ROW-2) project. Contract amount: $500,000.00.

Resolution No. 26-13
One (1) year requirement contract with Polydyne, Inc. for centrifuge polymer for use at the Westerly Wastewater Treatment Plant. Cost: $140,475.00.

MOTION – Mr. Sulik moved and Mr. O’Malley seconded to adopt Resolution Nos. 22-13 through 26-13. After discussion and without objection, the motion carried unanimously.

Mr. Brown referred to Resolution No. 22-13. He explained that the CEHRT is slated to be a pilot or demonstration project wherein the District will demonstrate a particular type of technology to be in compliance with District’s Long Term Control Plan. Mr. Brown referred back to the discussions held with the Environmental Protection Agency (hereinafter “EPA”) about mitigating combined sewer overflows (hereinafter “CSOs”) wherein the EPA initially proposed that the District engage in projects that would result in significant costs. The District, however, proposed a counter solution.

Discussion was turned over to Director of Engineering and Construction, Kellie Rotunno.

Ms. Rotunno stated that Resolution No. 22-13 for the CEHRT project is for the Board to authorize the District to enter into contract with Brown & Caldwell who will support the field efforts of the pilot plans which are nearly finished. The District is shifting to the operation and data collection phase of those pilot projects, which is critical in order for the District to demonstrate to the EPA that this initiative will meet the wet-weather treatment criteria for total suspended solids and bacteria killed during wet-weather treatments. If successful, the District will proceed with the implementation of full-scale facilities at each of the Wastewater Treatment Plants (hereinafter “WWTPs”) instead of the expensive, energy intensive and costly technologies that were advocated by the regulatory agencies during negotiations such as actiflow control and ballasted flocculation. The District did not believe that those expensive solutions were in the best interest of achieving the stated goals.
Ms. Rotunno noted that the District has so far received good “desktop results” from the jar testing to indicate that those pilot projects will be equally successful. The challenge is to get the rainfall within the timeframe needed in order to collect enough data.

Mr. Brown requested an explanation on Resolution No. 23-13 to award contract for the Easterly Aerated Grit (hereinafter “EAG”) project.

Ms. Rotunno advised that the EAG project will be to construct a facility for the handling of grit at Easterly. Said project is part of the modification to the headworks facility at Easterly which has aged and been in need of an upgrade for many years. This project has been under design for 18 months and the District is now ready to begin construction.

Mr. Brown commented that the District indentifies business opportunities for minority business enterprises (hereinafter “MBEs”) and women’s business enterprises (WBEs) on District projects. Mr. Brown pointed out that the District’s proposed business opportunity goal for the EAG project was 20% whereas the contractor’s proposal was around 17%. Mr. Brown was concerned that the contractor’s proposed MBE/WBE opportunities were less than the District’s goal. Mr. Brown indicated that although he supported moving forward with the award, he will do so with the expectation that the contractor will put forth an effort to meet the District’s 20% business opportunity goals since 20% is the minimum opportunity identified by the District.

Ms. Rotunno confirmed the District’s confidence in its 20% subcontracting opportunity on the EAG project. The lowest and best bidder did not reach the 20% goal and the District intends to work with them throughout the duration of the contract in order to ensure that they engage in good faith efforts to meet the District’s goal.

Mr. Brown requested an explanation on Resolution Nos. 24-13 and 25-13 for right-of-way services.

Ms. Rotunno stated that the right-of-way services will augment the District’s legal staff and provide the necessary resources in order to acquire property associated with an aggressive Capital Improvement Program (hereinafter “CIP”). Temporary and permanent property easements are necessary for construction and permanent easements for maintenance are also a critical component of the District’s CIP. The Dugway West Interceptor Relief Sewer (hereinafter “DWIRS”) project involves around 70 properties that will be impacted by construction.

Ms. Rotunno explained that the magnitude of this workload cannot be solely handled by the District’s legal staff. Ms. Rotunno stated that the requested right-of-way services will augment the District’s legal staff and by entering into two separate contracts allows the
District more "bench" depth in terms of procurement of those rights-of-way and easements necessary for construction.

Authorization of Contract Modification

Resolution No. 27-13
Modify Contract No. 11002965 with the United States Geological Survey (USGS) for the operation and maintenance of stream flow gauges in the District’s service area. A cost increase in the amount of $29,125.00, bringing the total contract price to $90,375.00.

Resolution No. 28-13
Modification and final adjustment for Contract No. 9002822 with Triad Engineering & Contracting Co. for the Lee Road Relief Sewer Project. A cost decrease in the amount of $1,502,199.97, bringing the total contract price to $15,376,859.03.

Resolution No. 29-13
Modify Contract No. 12000222 to transfer the contract responsibility from SARCOM, Inc. to PCM Sales, Inc. due to a company merger.

MOTION – Ms. Kelly moved and Mr. O’Malley seconded to adopt Resolution Nos. 27-13 through 29-13. Without objection, the motion carried unanimously.

Authorization of Design-Build Contract Modification

Resolution No. 30-13
Modify Contract No. 12003146 with Kokosing Construction Co., Inc. and HDR Engineering, Inc. for the Southerly Second Stage Return Sludge Pump Station Improvements Design-Build Contract. A cost increase in the amount of $4,329,000.00, bringing the total contract price to $4,785,000.00 and a time extension of 122 days.
Resolution No. 31-13

Modify Contract No. 12003563 with Kanawha Scales & Systems for the Southerly Truck Scale Replacement Design-Build project. A cost increase in the amount of $136,393.00, bringing the total contract price to $164,143.00 and a time extension of 91 days.

MOTION – After discussion, Mr. Sulik moved and Mr. O’Malley seconded to adopt Resolution Nos. 30-13 and 31-13. Without objection, the motion carried unanimously.

Executive Director Ciaccia opened discussion and he advised that the District purposely segregated the design-build contracts from the other contract modifications for the reason that the previous contract modifications were not anticipated. However, with respect to the design-build contracts, contract modifications are part of the process. At the onset of the design-build contract, the District is aware of the need for a contract modification. Engineering design has been completed to a level that the District is now ready to carry out construction of the projects. The modification amounts are for the costs of construction. The time extensions are not as significant. The District is simply moving from design to construction. Executive Director Ciaccia turned discussion over to Ms. Rotunno.

Ms. Rotunno provided the Board with a review of the design-build procurement process. House Bill 153 (HB 153) was recently passed, which allowed wastewater agencies to enter into design-build contracting. Ms. Rotunno advised that the District eagerly developed a design-build contracting process.

Ms. Rotunno advised that project concepts are first developed and the District then prepares an RFP. Staff requests authorization from the Board to issue RFPs for design-build. Ms. Rotunno noted that the Board already approved the authorization to issue RFPs on these two projects.

After the RFPs were received, there was a response period, the District evaluated the proposals and negotiated the contract. Staff came back to the Board for a second authorization to enter into a design-build contract for design. Subsequently, it is necessary for the design to progress to the 30% level and ultimately get to 60% in order to define the scope well enough in order to establish the Guaranteed Maximum Price (hereinafter “GMP”) for the construction.

After the GMP is negotiated, staff comes back to the Board for a third authorization to amend or modify the contract based upon the negotiated GMP. Ms. Rotunno advised that this is the authorization presented to the Board for consideration today. If the contract
modification is approved, then the design and construction will proceed on parallel tracks to completion.

Ms. Rotunno moved discussion to the GMP components. She reiterated that the GMP is not established at the time staff initially comes to the Board for its request to issue RFPs. Design, pre-construction components, general conditions, lump sum and percent fee were considered during the selection process and recognizing that the “gray piece” would later be negotiated. This project has reached 60% design completion and those same components are included in the overall fee and there is now an agreed upon cost for construction. Ms. Rotunno noted that there is also an agreed upon specific allowance and general allowance which were incorporated into the GMP.

Ms. Rotunno summarized that it is staff’s recommendation to modify the contract to the upper limit of the GMP and to include those components since we are now at 60% design. Ms. Rotunno concluded by stating that the District has agreed upon a sufficient project scope and GMP.

Executive Director Ciaccia pointed out that under the current design-build model; if the District is not satisfied at 60% design completion or the modification negotiations, then it has the option to proceed with the competitive bid process. The District was satisfied and has therefore negotiated the GMP and has made recommendation to the Board for the authorization to modify the contracts.

Property Related Transactions

Resolution No. 32-13

Authorize relocation payments to Robert Jones of $1,250.00, Jonathan Samuels of $1,250.00 and Michael & Richee Cunningham of $1,250.00 due to the District’s permanent acquisition of property necessary for construction of the Dugway Storage Tunnel (DST). Total cost: $3,750.00.

Resolution No. 33-13

Authorize relocation payment to Herman Tellis due to the District’s permanent acquisition of property necessary for construction of the Dugway West Interceptor Relief Sewer (DWIRS) project. Consideration: $300.00.
MOTION – Mayor DeGeeter moved and Mayor Bacci seconded to adopt Resolution Nos. 32-13 and 33-13. Without objection, the motion carried unanimously.

VI. Information Items

1. 2013 Budget Overview.

Director of Finance, Jennifer Demmerle, advised that the Finance Committee’s budget review session will be held on Tuesday, March 5th from 9:00 a.m. to 12:00 p.m. Said hearing will provide the Committee with a comprehensive overview of the budget as well as how 2012 ended. Ms. Demmerle noted that there were minor changes that were made to the overview section on the Board members’ iPads and that those corrections were made in the Board members’ budget books. Ms. Demmerle also noted that an agenda was incorporated into the budget books. Ms. Demmerle turned the presentation over to Manager of Finance and Budget, Ken Duplay.

Mr. Duplay advised that he will present the Board with an overview of 2012 first which will include preliminary actuals, revenue, expenses, debt service and the CIP. He will then move into an overview of the 2013 budget. Mr. Duplay noted that a full budget review will take place at the Finance Committee meeting on Tuesday, March 5th. Mr. Duplay advised that today’s discussion will conclude with next steps.

Mr. Duplay stated that the financial objectives drive financial decisions made by the District and that the District must operate within the parameters of its 2012 to 2016 rate study. This was the District’s first year operating within the new rate parameters which brought forth structure changes and rather large increases.

Mr. Duplay stated that the District must stay within its parameters, operate within budget meet its predetermined debt service coverage requirements, maintain reserves at a level that will allow for funding of necessary future activities, meet obligatory requirements and operate within its financial metrics. The aforementioned metrics are taken into consideration by the rating agencies.

Mr. Duplay indicated that he will first discuss 2012 and compare 2012 to the 2012 to 2016 rate study.

Mr. Duplay stated that the District is in line with its projections in the 2012 rate study and that O&M expenses were purposely below the projected rate study. The District experienced a 6% decrease in consumption and planned accordingly for 2012. The District had assumed the worst and planned for another 6% decrease even though the rate study projected a 3% decrease. Fortunately, operating revenue came in higher than
anticipated. The District experienced a 2% decrease in consumption in part to catch-up billings from the CWD, the District’s billing agent. Mr. Duplay noted that there were issues during the onset of the implementation of the new billing system and as a result there have been catch-up billings that may have slightly inflated this number. The District conservatively projected a 4% decrease in consumption for 2013.

Mr. Duplay moved discussion to the 2012 actuals. Revenues projected for 2012 were $180.9 million. The District ended about 6% percent higher than the projected amount, which was mainly attributed to the rate increase and catch-up billing as previously mentioned. Ninety-nine percent (99%) of the District’s revenue is comprised of user fees. One percent (1%) comes from septic haulers dumping at Southerly. Mr. Duplay advised that 92% of the revenue is collected by the billing agents; Cleveland, Cleveland Heights, Berea and North Royalton. Fourteen percent (14%) is direct billed by the District.

Mr. Duplay moved discussion to 2012 operating expenses. The District is 5% below budget for its operating expenses. Mr. Duplay provided the Board with an historical perspective of the operating budget versus actual for the past five years and he noted that the budget was flat from 2011 to 2012 mainly due to the 6% decline in consumption.

Actuals did however increase from 2011 to 2012 mainly due to $2.1 million for salaries, which was primarily for the 2% general increase and buyouts for employees who retired with significant service time.

Contractual services increased mainly due to the City’s increased billing and collection fee during the second half of 2012.

Mr. Duplay referred to a slide which provided a detailed breakdown of the $108 million actuals and he advised that $51.9 million, or, just over half, is related to operations costs. On the right-hand side was a breakdown of the categories of various expenses. Mr. Duplay explained that salaries, benefits and utilities comprise approximately 70% of the District’s operating budget, which is consistent with past years.

Mr. Duplay moved discussion to the 2012 capital budget which was $248.9 million and he advised that the District was about 10% below that amount. The largest portion was budgeted for minor capital purchases that were never executed. Mr. Duplay noted that those are preliminary numbers and that the District’s books remain open through the end of February and that there may be more invoices received for 2012.

Mr. Duplay referred to a graphic which provided a breakdown of the $223.5 million for 2012 actuals. The breakdown on the left represented the groupings of projects; $124 million was spent on CSO Long-Term Control Plan projects. The largest portion was for
the Euclid Creek Tunnel project at $81.6 million. The Easterly Tunnel Dewatering Pump Station (hereinafter “ETDPS”) project was $14.1 million. Of the plant improvement projects portion, approximately $41.7 million was spent on Renewable Energy Facility-related projects.

Mr. Duplay advised that on the right-hand side of the graphic was a breakdown of how the $223.5 million was funded. The vast majority, or $187.5 million, was funded through 2010 bond proceeds.

The final portion of the 2012 actual section is debt service. The District is relatively close to budget. There's some variability on District loans and how much it actually borrows, which accounts for the less than one percent difference.

Mr. Duplay referred to a graphic on debt service coverage calculation and he advised that the District has $191.8 million revenue available for debt service, less net operating expenses of $93.2 million. That is the $100.8 million less capitalized labor which leaves us with $98.6 million. The District's debt service coverage is at 641% on senior debt service on the bonds and 152% on all debt service. The District is meeting its debt service obligations.

Mr. Duplay referred to a chart depicting cash balances, receipts and disbursements over the last five years. He noted that the large spike in 2010 resulted from the proceeds of the 2010 bond issue. In 2012, the District shows a decrease in cash receipts mainly due to $60 million less in loan proceeds taken in for the year. The other item of note was a sharp decline in the cash balance bar; as disbursements increase for capital improvements and debt service, cash balances decrease. Mr. Duplay explained that if this chart went out to 2013, there would be another spike assuming the anticipated $300 million plus bond issue.

Mr. Duplay provided a summary of the District’s reserves. The operating reserve is above the 90 day minimum balance. Depending on how 2013 is finalized, the District may put more money into its Rate Stabilization Account, which would lower the debt service ratios on the prior slide. Mr. Duplay advised that the District would not move any more money that would put us below our required levels. The other reserves are fairly stable with some interest income. Mr. Duplay noted that there were no draws on the reserve.

Mr. Duplay concluded the 2012 budget overview by showing the Board the key financial metrics used to track the District’s performance. Mr. Duplay reiterated that those metrics are the key metrics bond rating agencies take into consideration. The District is in a healthy range for all those ratios.
Mr. Duplay moved discussion to the 2013 budget overview. He compared 2013 to the original 2012 to 2016 rate study and he stated that all the categories are within the original rate study parameters. O&M is slightly below the amounts projected in the rate study and there was a 2% decline in consumption last year. Again, the District is conservatively predicted 4% decrease in consumption. Mr. Duplay advised against the District predicting more than what it may realize in revenue. The operating costs are therefore purposely below the rate study.

Mr. Duplay advised that based on where the District stands today and assuming the $300 million plus bond issue in the middle of the year, debt service will increase to $78.3 million for the preliminary budget for 2013, which is when then the District’s first interest payment will be due on the 2010 bonds. Mr. Duplay stated that with respect to the senior rate coverage, the District falls below 400%. The District continues to meet all of its requirements, but there is a decline as debt service continues to grow and those service ratios fall lower.

Executive Director Ciaccia explained that those debt service ratios are key metrics and the District’s obligations. The senior debt coverage must be at least 1.25... At the same time our overall debt service ratio must be at least 1.05. If the budget is approved as proposed the District will meet those metrics.

Executive Director Ciaccia noted that the Rate Stabilization Fund would be used to help those numbers, if the District needs it. It is a tool that was established by Ms. Demmerle and it is wise to put as much money as possible into that fund each year.

Mr. Duplay presented a comparison of the 2012 and 2013 budgets and he noted that the most significant difference was in the operating revenue. Mr. Duplay reiterated that the District purposely budgeted low last year anticipating a 6% decline in consumption. Based on the 2012 actuals, the District still conservatively estimated a 4% decrease in consumption. Although there is a 14% increase from 2012 to 2013, the assumptions that were made places the District back into the original rate study level. Additionally, by maintaining a lower O&M level, the District is confident it will meet all of its obligations.

Mr. Duplay reiterated that the debt service will increase to $78.3 million in 2013 as the District will start incurring interest payments on the 2010 bond issue.

Mr. Duplay moved discussion to the comparison of revenues between the 2012 actuals and 2013 budget. The billing agents continue to handle 92% of the District’s billing. There was a slight increase in the dollar amounts being directly billed by the District due to an increase in rates and customers. Mr. Duplay noted that the District now internally bills about 950 residential customers in the rural Lorain County area.
Mr. Duplay moved to the O&M expense comparison between 2012 actuals and the 2013 budget. Salaries, benefits and utilities combined comprise about 70% of the operating budget, which is consistent with past years.

Mr. Duplay provided the Board with a stormwater financial overview. He referred to a graph and explained that the District anticipates receiving about $17.1 million in stormwater revenue. That number is small by design due to the lag in time between the actual collections versus the billings. The stormwater bills went out in mid January and although the District is starting to receive those collections, it does not anticipate a full year’s worth of revenue in 2013.

Mr. Duplay advised that the operating expenses will be equal and that this will be a cash-funded program. The District will not issue debt for this program. Therefore, stormwater revenues will equal the stormwater expenses.

Mr. Sulik inquired if this is the gross revenue anticipated prior to the 25% allocation to the communities wherein Mr. Duplay replied that it is the net allocation.

Mr. Duplay advised that a vast majority of stormwater expenses will be for contractual and professional services; $6.7 million for potential improvement projects, and $3.8 million for maintenance contracts.

Mr. Duplay advised that a vast majority of expenses will be incurred by the Watershed, Engineering, and Operations departments for stormwater improvements.

Mr. Duplay advised that staffing levels in 2012 were at 642. As of February 8th, those numbers are consistent with past staffing levels. There will be an increase in the open positions to 76. Fifteen of those are stormwater-related of which 14 are currently vacant. The District is adding 10 new positions on the wastewater/sewer side. Some of those vacant positions are not funded and may not be filled throughout 2013. Mr. Duplay noted that the increase in the vacant positions is related to stormwater.

Mr. Duplay moved to the 2013 CIP and he provided an historical overview of the spending. Until 2009, the District has been averaging around $87 million each year in spending on the CIP. Thereafter, that number has continued to increase and has averaged to be around $200 million since 2011. The District anticipates being over $200 million for the next 5 years. The 2013 CIP is currently at $247.3 million.

Mr. Duplay provided a breakdown of the 2013 CIP. He referred to a graphic and he advised that on the left-hand side was the CSO category. The ECT project will be $56 million. The ETDPS project will be about $26.5 million. Plant improvements,
preliminary and primary treatment improvements at Southerly will account for $32.1 million. The continuation of the REF will be about $14.5 million.

Funding sources include using the remaining 2010 bond proceeds by mid-year. The District anticipates using 2013 bond proceeds to fund the majority of the CIP going forward. The District will have $90 million available in cash of which $15 million will be used to fund capital projects. Mr. Duplay indicated that this will allow for the District to keep borrowing down.

Mr. Duplay provided an overview of the 5-year CIP. The majority will be for CSO Long-Term Control Plan projects as indicated by the red bar. The ECT and ETDP project will account towards the majority during 2013 through 2014. The DWIRS will be under construction in 2014 and the Dugway Storage Tunnel (hereinafter “DST”) project is slated for 2015.

Mr. Duplay advised that the proposed debt service continues to rise as the District begins to pay interest on the 2010 bonds and as new loans come on board. The proposed debt service as indicated in the pink portion of the bars is the interest payments that will begin in 2015 on the 2013 bond issue. As in 2010, the District plans to capitalize 2½ years of interest essentially deferring payments on that bond issue to allow us to mitigate higher rate increases in the short term for the rate payers. However, by the end of the 2017, the District will have $121.5 million in debt service for the year.

Mr. Duplay referred to a graph of the projections of debt service coverage. If 2012 were on this chart, there would be a large decline from 6% to below 4% for 2013. Mr. Duplay pointed out that another decline will occur in 2015 when interest on the 2013 bonds arise. The District meets its requirements for the full five years, but it will continue to get tighter as more debt is issued and debt service continues to increase.

Mr. Duplay summarized that the District has met all its financial benchmarks for 2012. The 2013 budget is in line with the original rate study projections from the 2012 to 2016 rate study. The proposed current budget represents a 1.3% increase in operating expenses from 2012 to 2013. The District continues to meet its debt service coverage and reserve levels.

Next steps include holding a Finance Committee 2013 Budget Review session. Each department will present its budget before the Committee and provide greater detail of those numbers. Staff will make its recommendation to the Board to approve the 2013 budget at its March 7th meeting.

This concluded Mr. Duplay’s presentation. There were no questions from the Board.
2. Customer Service Satisfaction and Awareness Study.

Director of Administration and External Affairs, Constance Haqq, introduced Dr. Pierre David and Dr. Tom Sutton from Baldwin Wallace University (hereinafter “BW”). The District contracted with BW’s Community Research Institute to undergo two studies. The first study was to determine the District’s customers’ feelings about its customer service. Ms. Haqq noted that this survey will serve as a benchmark for District customer service awareness and that future studies will take place more often in order to determine the District’s improvement. BW also surveyed the community about its awareness of the District’s functions and whether the District’s public outreach messages are being delivered. Ms. Haqq stated that the surveys conducted by BW were very comprehensive and that those results were included in a report which was provided to the Board. Drs. David and Sutton will also make a formal presentation of those results to the Board today. Ms. Haqq thanked Drs. David and Sutton and District staff member Kim Jones for coordinating this effort. Ms. Haqq turned discussion over to Drs. David and Sutton.

Dr. David thanked the Board and he advised that today he will present the survey methodology, the key questions that were addressed in the study, and some of the findings. Dr. Sutton will discuss the “SWOT” analysis and recommendations for the District.

BW conducted five phone surveys which included contacting 800 homeowners in the District service area, 300 customer service centers callers, and 200 customers in the cities of Buffalo, New York, Milwaukee and Philadelphia, for comparative purposes. There were eight focus groups with 84 participants from four regions within the District. Interviews were conducted with managers from eight sewer authorities also facing CSO issues and 16 District service area elected officials.

The key questions were: Are the District customers aware of the role that the District plays in northeast Ohio? What are their perceptions of the District? What are the perceptions of the customers about the services they receive? How effective is the District at community outreach and education efforts? Are these activities worth the investment that the District made?

Dr. David moved discussion to the findings in which there were three. The highest priorities for the District customers were: 1. Keeping Lake Erie and the area water ways clean; 2. Keeping the sewer and water rates affordable; and 3.) District customers lack a fair understanding of the District’s role. Dr. David noted that this is similar to the issues facing other sewer agencies regionally and nationally. With respect to the District there is a fair amount of confusion between the roles of the CWD and the District and that is likely due to the fact that the CWD acts as the District’s billing agent.
Dr. David explained that the cities of Cleveland, Buffalo, Milwaukee and Philadelphia were compared in an effort to determine what people considered to be the most important work. One concern was maintaining the cleanliness of the waterways for recreational use. Dr. David noted that the City of Philadelphia was not present in this particular chart because they do not have recreational use of their resources.

Dr. David indicated that the quality of the drinking water was clearly a number one priority. In fact, 87% of the survey’s respondents found the quality of drinking water to be very important whereas only 4% stated that it was not a concern.

Dr. David advised that affordable sewer and water rates were important factors for the ratepayers. Approximately three-quarters of the respondents desired affordable sewer and water rates.

Dr. David indicated that people do not know, or at least a fair percentage of the population, does not know what happens to stormwater and sanitary sewage. Approximately 40% percent of the survey respondents between all four cities were willing to admit that they were not aware. A fair percentage was erroneously of the understanding that stormwater is always treated and that sanitary sewer is never treated. Dr. David advised that there is a definite gap between what the District does and the perception of the people in the Cleveland area. This development is not unlikely when compared to other cities. There are some cases where entities are spending a fair amount of money to explain to the public what they do.

Dr. David noted that there is also fair amount of confusion as to which agency is responsible for the cleanliness of Lake Erie and the area waterways; the US EPA, the Ohio EPA, the District, ODNR, the CWD all share an equal responsibility in keeping Lake Erie clean in the eyes of customers. That is correct, but you are the executor of those wishes.

With respect to maintain the quality of drinking water, the CWD is ahead, but consumers are of the understanding that the EPA, the District, the municipal government, and Cuyahoga County government are all responsible for the cleanliness and quality of the drinking water.

Dr. David advised that the consumers’ perception, those people who have called the District, were asked about the quality of the service they received. The majority of the people indicated it was good or excellent. In many cases, the CWD eases out the District. One of the reasons is because there is confusion among customers between the duties of the CWD and the District. The customers call one number and are often transferred from one agency to the other. This creates confusion.
The overall evaluation when comparing the District to other cities facing CSO issues is about the same. According to Dr. David, the City of Philadelphia is a little bit more down on the money's worth on their sewer bill, but essentially all of them seem to be feeling roughly the same way.

The overall experience of the people who have called the customer service center is excellent or good. In the majority of cases we found that the problem was solved to their satisfaction at least three-quarters of the time. When they are compared with other utility services, they are also saying that they like the experience that they have had with the people in the customer service center of the District.

Dr. David explained that the people were asked to “grade” their experience when calling the District’s customer service center and compare it to the best customer service experience they have encountered when contacting a customer service call center. The District received an A, B or C three-quarters of the time. Therefore, the District was compared very favorably with other commercial customer service centers.

Dr. David pointed out that the majority of the cases, when people call the District or the CWD is because they have a problem and therefore, the call begins with a negative perception. Conversely, when people contact a CSR they are essentially having making a purchase and are seeking out a positive experience. Therefore, the District’s grade was remarkably good.

Dr. David noted that the District was ranked first or second in most instances against the CWD, city government or county government for education, engagement of the community and media usage.

Dr. David stated that in terms of responsiveness with other public entities there was some confusion. The findings showed that there was relatively little difference between the four cities again, but the primary means to reach people in our community is television. There is no doubt that television plays an extraordinary role in some people's lives and this is where they obtain their information and where they spend most of their media dollars.

Dr. David moved discussion to the comparison between local campaigns. Some campaigns are doing particularly well and that is “Keeping Our Great Lake Great” and “Recycling Today for a Better Tomorrow.” Those were the two best local campaigns. When those were compared with other campaigns that were generated by entities in the cities of Buffalo, Milwaukee or Philadelphia, for example, Buffalo’s “I Love New York” campaign was 80%. However, a campaign that has been only running for about one year such as “Keeping Our Great Lake Great” is already at 47% recognition.
Dr. Sutton noted that the "Keeping Our Great Lake Great" campaign is so good that 20% of the people surveyed in Buffalo recognized it.

Dr. David stated that the "I Love New York" campaign received 80% recognition, which is an astoundingly low number for a campaign that has been running for over 30 years.

Dr. David moved discussion to the attribution of the campaign slogan. People do not know who advertises to them. They were not aware of which agency runs the "Pick Up Poop" or the "Keeping Our Great Lake Great" campaigns. They recognized the slogans, but did not know which agency was responsible. Does this matter? The important part is whether or not they know what to do. The "Pick Up Poop Campaign" is a change in behavior. The previous surveys showed that people did change behavior because of the campaign. So it has its intended effect, and whether or not they attribute it accurately is another issue to be decided by District.

Dr. David then turned discussion over to Dr. Sutton to present the strengths, weaknesses, opportunity and threats.

Dr. Sutton explained that the data was gathered from surveys, focus groups and interviews to conduct the analysis of the District's strengths, weaknesses, opportunities and threats.

Strengths include that 84% of District customers rated the District as excellent, good or fair. The District received higher evaluation scores than other cities surveyed. The public at least has some awareness of this agency’s work. In the focus groups most people knew something about the fact that the rates were increasing due to overflow into the lake. They were not aware of the particulars, but the overall impression was that they certainly had some knowledge. They were very aware of the rate increases. Those surveyed recognized the importance of keeping the lake clean. In fact 80% to 90% of the survey respondents confirmed its importance which indicated the customers' value and the role the District plays.

Dr. Sutton moved discussion to the weaknesses. Water and sewer services are the last utility for which prices are increasing. People have gotten used to natural gas, oil, and electricity prices spiking. They assume that they have some sort of constitutional right to moderate rates for utilities, water and sewer. In other parts of the country that's not true, but here with the rate changes the District is starting to receive some push back.

The public is confused about which agency is responsible for keeping Lake Erie and the waterways clean primarily because the CWD acts as the District's billing agent. This creates much confusion as indicated previously. People do not take into consideration as
to what happens after water goes down the drain. Consequently, the District is faced with an institutional problem that it may never overcome.

Dr. Sutton advised that many of the District complaints were CWD complaints. The findings showed that within the focus groups there was only a fraction of people who actually had a District-related complaint. Of those complaints, the majority were satisfied with the outcome.

Dr. Sutton moved discussion to the District’s opportunities and he advised that it was very clear that the “Keeping Our Great Lake Great” campaign has gotten off to a great start. It received very high recognition in a short period of time. Dr. Sutton recommended that the District use this campaign as a foundation for future communication initiatives.

Project Clean Lake and Stormwater Management is an opportunity to build public awareness of the District. New programs invite media attention and curiosity and this would be a great opportunity for the District to build its case for stormwater management, fee increases and the need for community involvement. In some ways the District is transitioning and expanding its role. In addition to providing public service, the District is helping customers to understand the District’s responsibilities and the roles of which the customers play which may include paying higher fees.

Dr. Sutton explained that public trust is key and this message was loud and clear in the focus groups as well as the surveys. Periodic reporting on costs, spending and progress on projects will help increase the public’s trust. Dr. Sutton stated that the environment right now is “anti-government” and unfortunately the District is caught in that environment. Therefore, the more the District can build public trust, the better.

It is imperative that the District help customers to understand how their fees are calculated. The public has misconceptions about whether stormwater or sanitary flow gets treated, which can be viewed as either a challenge or another opportunity to educate the public. It is imperative for the public to understand the demands on storm and sanitary systems and run-off pollution. Dr. Sutton stressed the importance of environmental education and he stated that it is a critical role of the District.

Dr. Sutton moved discussion to the threats facing the District. There is increased public distrust of government and this is an environmental threat that everyone faces including the District. The District’s relative anonymity is typical of most government agencies. With the exception of agencies television shows have been developed for such as the Department of Homeland Security, the CIA and the FBI. Unfortunately, the public are not aware of the other 99.9% percent of government agencies from federal to local levels.
Dr. Sutton indicated that there is a public perception that the District is a monopoly because it is a special district. The District is a few layers removed from immediate contact with a city council, mayor or even county council and as a result there is a perception that the District is a monopoly with no accountability.

Dr. Sutton advised that the District is viewed through the lens of its billing agent. There are a high number of communities served by the District that have a patchwork of parallel services providers, which adds to the public’s confusion about the District’s responsibilities.

Dr. Sutton explained that people do not like paying for what they get when it comes to public services. They resist rate increases. There could be negative publicity. Fees may become unaffordable. This came out in the focus groups. Cost of compliance for businesses may be too high. Converting impervious services back to natural states may be too costly. There is reluctance of local governments to participate due to a lack of funding or the problems are inordinately complex.

Dr. Sutton presented the recommendations and he indicated that community engagement and communication are critical components. The District must educate the public of its roles and make the connection between the District and keeping Lake Erie and area waterways clean. The District has a clearly defined priority from the public and making that connection will help with community engagement.

Public awareness efforts take time and money. For example, consider the shift in attitudes about smoking. This was a 40 plus year process, but compare the public’s perception of smoking today versus 40 years ago.

The District’s strategies need specific branding activities and the “Keeping Our Great Lake Great” is a good start, but the District can engage in specifics such as holding signature events. The District should consider tying itself into specific events such as sponsoring a 5K event or a beach cleanup. The District should consider partnering with high-profile institutions like the Cleveland Clinic and by doing events with highly-recognized agencies will result in the “coattail effect” of their publicity.

Dr. Sutton indicated that there were two specific recommendations for the Customer Service Center. Customer service representatives should collect the personal identification data on each caller. He noted that it was very difficult for BW to contact customers listed with a business address that happened to be NASA and that there were 84 customers with one phone number, NASA. He stressed that home numbers are important as well as home addresses. Dr. Sutton advised that reducing the percentage of repeat calls so that customers get their questions answered the first time.
Dr. Sutton recommended that the District should strategically explain its role in the stewardship of natural resources. Again, this is changing public attitude that can be taken advantage of.

Dr. Sutton explained that issuing progress reports on Project Clean Lake and Stormwater Management is critical. The District should also provide updates on infrastructure maintenance and improvements and report on fiscal management. This information should be made easily accessible to the public. Dr. Sutton referred to the budget presentation which was given earlier today and he suggested that this information should be broken down into simple parts for the public to understand.

Dr. Sutton moved discussion to community awareness initiatives and he reiterated that the District should hold signature events and continue using slogans. The District was created as a result of an EPA legacy, the burning of the Cuyahoga River. Dr. Sutton strongly suggested that the District capitalize on that legacy. It gives the District a very positive national as well as local image. The District should capitalize on its enormous progress in changing the condition of the lake.

Dr. Sutton stressed the benefits the District would receive by partnering with the Cleveland Clinic especially when it comes to health concerns involving the environment.

In conclusion, Dr. Sutton stated that raising the District’s profile is essential in educating the public about the importance of its responsibilities as well as the public’s role in keeping Lake Erie and area waterways clean.

The Communications and Community Relations Department initiatives have been effective in measuring customer awareness of the District. Dr. Sutton suggested continuing to utilize public slogans.

Dr. Sutton suggested that the District engage in a more comprehensive campaign and consider asking: What are the District’s central priorities? How do communication initiatives advance that central priority? The District should examine more detailed communication budgets of other sewer agencies. Dr. Sutton explained that he BW tried retrieving said information during the interview process, however, those survey respondents were reluctant in providing that data.

The District should also develop realistic expectations about the customers’ understanding of this agency’s roles and responsibilities. There will always be a gap and the District must accept that and move forward with a campaign to at least raise its profile.
Dr. Sutton concluded his presentation by stating that this report contains a lot data and that he was hopeful said information can be used to the District's advantage. He entertained questions from the Board.

Mr. Brown thanked Drs. David and Sutton on their presentation and the due diligence conducted by BW in order to produce those results. Mr. Brown indicated that he was not surprised by many of the conclusions. Mr. Brown described the District as being a "sleeping giant" and that it wasn't until recent that the District embarked on its public campaign. Mr. Brown indicated that his take away message was that the District has successfully publicized its functions and that there is value in publicizing and assigning the various which handled by certain utilities. Mr. Brown indicated that another issue for future debate is the amount of time and money spent on branding and name recognition.

Mr. Brown noted that there were several discussion points about the billing agent and the customers' inability to differentiate between the District and CWD and he stated that those issues are the table for the District to consider and those implications are important.

Mr. Brown noted that through his experience, many customers call for clarity, and information in addition to billing concerns. Mr. Brown stated that the bottom line is that everyone wants clean water until they have to pay for it.

Mr. Brown indicated that the survey results were insightful and provided the Board District staff with good information to be taken into consideration when developing its direction.

Mr. Sulik stated that the presentation indicated a significant misunderstanding that the functions of the District and the CWD are the same and that utilizing the same billing agent does lead to misconceptions of those roles. The bills are issued by the CWD and that District's information appears at the bottom. It gives the public the perception that those two agencies are combined and not separate. Mr. Sulik stated that the District will need to consider methods in which to distinguish itself better.

Dr. Sutton commended Executive Director Ciaccia, Ms. Haqq, Ms. Jones and District staff for their support in this effort. Dr. Sutton stated BW would not have been able to compile this data so quickly without the assistance they received from the District. Dr. Sutton stated that "you have great people working for you and I hope you keep them."


Ms. Rotunno began her report with the 2012 year end Key Performance Indicators (hereinafter "KPIs") since the Board did not receive this information in January due to the meeting cancellation.
The District awarded 23 projects and $135 million in new projects in 2012. Ms. Rotunno referred to a graphic and she explained that the majority of projects were for construction at the WWTPs.

Ms. Rotunno referred to historical contract awards and she stated that the District’s banner years for awards were 2009 and 2010 and that the cash flow is a straight line graph which ticks upwards at the end. Ms. Rotunno stated that the large award years are starting to manifest into terms of cash flow which is consistent with the budget information previously reported to the Board by Ms. Demmerle and Mr. Duplay.

Ms. Rotunno moved to the 2012 Business Opportunity Program outcomes. She advised that the District delivered 95% of its planned cash flow. The District missed its overall performance on the CIP by a few percentage points. The District concluded the year at 92%, but its goal was 95%.

Ms. Rotunno moved discussion to engineers’ opinion of probable construction costs and she advised that the average variance was 1% off.

Ms. Rotunno moved discussion to the cash flow delivery. The District delivered 92% of its cash flow, which Ms. Rotunno explained is linked to the finance system in terms of what they are acquiring debt for. Therefore, the more closely the District’s cash flow matches its expectations, the better its financial situation with respect to financing its CIP. Ms. Rotunno recognized the Process and Controls group which she indicated consists primarily of District staff and very little program management personnel.

Ms. Rotunno stated that construction performance for 2012 was good and that projects in the aggregate closed out at 88% of the awarded contract total. Ms. Rotunno noted that the District’s goal is 95% and that there were a few blips, but the District was well under its goal for completing construction projects within the contract value.

Ms. Rotunno moved discussion to the Business Opportunity Program. The District achieved 28% participation, which exceeded its goals. The District was pleased that the contractors committed to meeting District goals at the time of bids and in many instances exceeded the District’s goals by the end of the project. Given the District’s success on reaching its business opportunity goals, Ms. Rotunno indicated that the District remains confident it will increase the participation percentage on the EAG project, which was awarded to Great Lakes Construction today.

Ms. Rotunno moved discussion to the 2013 status and update.
The ECT project production reached 125 feet of tunneling in one day, which is fast for a tunnel boring machine (hereinafter “TBM”). Ms. Rotunno advised that it revealed 125 feet of high quality tunnel with aligned segments and no cracking. Ms. Rotunno advised that the TBM is currently 200 feet below the Easterly WWTP and preparing to turn left under Lake Erie.

Ms. Rotunno moved discussion to the ETDPS project and she advised that cavern mining has resumed and the contractor is hoping to make up for lost time by switching to a 24-hour work schedule.

Ms. Rotunno moved discussion to the REF project and she advised that the startup and commissioning of the units as well as the balancing of the air handling units is underway. Cosmetic work such as painting is ongoing. The contractor is conducting loop checks of the system and field devices to ensure that the District is on track for the startup of the REF in the next few months. Ms. Rotunno was excited to announce that the District will hold a ribbon cutting ceremony to commemorate the startup of Ohio’s first fluidized bed waste to energy facility.

Ms. Rotunno moved discussion to the projects to be awarded in 2013. The EAG was awarded today and is expected to be one of the largest WWTP projects to be awarded in 2013 at $36 million. Two key Project Clean Lake projects will be awarded later on those are the $86 million Sustained Capacity at Easterly and the $62 million DWIRS project.

Ms. Rotunno indicated that the District has done a good job of delivering its KPIs with respect to fiscal control on both the design and construction projects; however, the District has remained primarily construction focused.

Ms. Rotunno noted that the KPI for cash flow projections are slightly off for the reason that the ECT contractor has not yet invoiced the District and the ETDPS contractor’s production is not moving along as anticipated.

The Business Opportunity Program cash flow is at 50%, which is indicative that the prime contractors are being paid and as a result the subcontractors are being paid in a timely fashion.

Ms. Rotunno noted that she will be reporting on those two KPIs together in the future.

Ms. Rotunno moved to the KPI for the engineers’ estimates of probable construction cost and she advised that the KPI will continue to include plus or minus 10%. One project was awarded thus far with a 0.2% variance of the engineer’s estimate.
Ms. Rotunno introduced new KPI #4 which involves design. Ms. Rotunno explained that design manifests itself during construction and that overdesign and/or under-design both result in higher costs to the District. It is important that the District maintain the right levels of design in order to ensure the project is constructible. Scheduling of design is also of significant value. Therefore, Ms. Rotunno proposed two KPIs with respect to design. One is to complete the designs within 90 days. The second is to track the savings found through value engineering. Ms. Rotunno indicated that she could not necessarily set a goal in terms of dollar value or percentage since this has never been tracked, but that she would like to report design cost savings and opportunities for the District to save money on construction projects to the Board on a monthly basis. Ms. Rotunno noted that there has been no design activity to report for January.

Ms. Rotunno advised that the KPI for construction close out within 95% of the base contract amount will remain the same and that the District’s goal is to close out 90% of its projects within that KPI. The District closed out one project within 95% of the base contract amount so far in 2013 and is therefore operating within its KPI.

Ms. Rotunno explained that she would like to add another KPI to ensure that construction projects are being awarded on time and are closing out on time. There are many legacy projects in the queue that are still under construction. For example, the MCT-3 project closed out this year 587 days past the original completion date. Although there were unique circumstances surrounding the MCT-3 project which involved extensive litigation, 587 days beyond the completion date from a scheduling perspective resulted in extended administration costs to the District. Ms. Rotunno advised that the District intends to track and report this metric to the Board. In 2014, a goal can be established to ensure that construction projects are closed within a certain number of days past the original contract completion.

Ms. Rotunno concluded her report with a quote from Colin Powell, “There are no secrets to success. It’s the result of preparation, hard work and learning from failure.”

Mr. Brown stated that 2012 was a good year for the District and that metrics kept through the KPI process are succinct and keeps the Board apprised of what is and what is not happening. Mr. Brown commented that the KPIs are fair in terms of the District’s expectations. Although the District did not meet a couple of its KPIs, the District knows what needs to be put in place in order to achieve those goals. The District is managing its expectations and he commended Ms. Rotunno and her staff on the good work in 2012. Mr. Brown stated that the Board looks forward to the anticipated 2013 accomplishments.

Mr. Brown found it encouraging that this process is now primarily being handled internally, which is what was envisioned when the Program Management was implemented years ago. Mr. Brown thanked Ms. Rotunno on those efforts as well.
Ms. Rotunno advised that this month’s presentation was the first presentation put together internally by District staff without support from Program Management. Ms. Rotunno advised that the team is doing a fantastic job and it was her intent to acknowledge staff on their efforts.

VII. Public Session

No members from the public registered to speak at Public Session.

VIII. Open Session

There were no items for discussion.

IX. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Mr. O’Malley seconded the motion to adjourn at 2:09 p.m. Without objection, the motion carried unanimously.

Sheila Kelly, Secretary
Board of Trustees
Northeast Ohio Regional Sewer District

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