

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JUNE 6, 2013

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
R. Sulik
S. Kelly
J. Bacci
T. DeGeeter
W. O'Malley
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 to approve the minutes of the May 16, 2013, Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

Executive Director Ciaccia informed the Board that no one signed up to speak about a specific agenda topic.

IV. Executive Director's Report

Executive Director Ciaccia advised that the movie filming at Southerly and the Lakeview Dam was completed without incident. He thanked the staff and operations for putting up with the inconveniences surrounding the shoot. The filming company made a generous donation of around \$13,000 to the Cleveland Foodbank as a contribution on behalf of the District.

Moving to the next subject, he advised that the Dugway West Interceptor Sewer project is out for bid and the job was estimated to be over \$60 million. A contractor connection day was held on

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May 29 at the Great Lakes Science Center and was well attended. The event was also served as a pre-bid meeting. A number of minority and small business firms met with the potential prime contractors.

Executive Director Ciaccia stated that staff went on a detailed tour of the projected route with several City of Cleveland officials, including Mr. Brown, because it cuts through a major Cleveland neighborhood that will have a District presence for many years. The tour produced feedback regarding ways to address traffic control and other inconveniences to the neighborhood that will occur. The bid opening will be in July.

Work on the Euclid Creek Tunnel continues to go very well.

Executive Director Ciaccia asked Kellie Rotunno, Director of Engineering & Construction, to provide a brief update on progress at Beulah Park.

Ms. Rotunno stated that construction of Shaft 3 and supporting surface structures will take place soon. Any structure within a 500-foot radius of the shaft will have pre-blasting inspections, which includes walks, visible foundation, exterior walls, porches, trims, visual exterior survey of buildings, homes with basements and interior basement inspections.

The contractor has been vigilant in outreach and on two different occasions sent certified mail to each affected resident. A third notice was hand-delivered to residents and additional notifications were subsequently sent.

The notifications contained all of the details regarding how to contact and coordinate with the contractor for home inspections. Blasting is projected to begin June 11 and final interior basement inspections are being performed today for the residents in Beulah Park. Ms. Rotunno stated that the District and contractor fulfilled their obligations to inspect the homes within a 500-foot radius prior to blasting. However, there has been correspondence from one resident who asserts due diligence was not carried out, but that is not the case.

Moving to the next subject of his report, Executive Director Ciaccia referenced a presentation during the previous Board Meeting from the Cleveland Director of Public Utilities regarding their decision to return to splitting the bills. He advised that the parties have agreed on how the bills will look but discussions continue regarding the verbiage on the back of them.

In terms of finances, Executive Director Ciaccia advised that through May cash from receipts is up 9%. The rate increase this year has averaged about 13% and when doubtful accounts are considered the figures are on target or a little ahead of projections.

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The collections to billings percentage for the year are over 100% with a monthly rolling average of 96%. These numbers reflect the increased collections activities being taken by our primary billing agent, the Cleveland Department of Public Utilities.

The total accounts receivable is about \$70 million, of which \$42.8 million are active accounts. \$20.5 million of the latter total is over 180 days. He stated that is still a high number but down \$1 million from the previous month.

Stormwater accounts receivables are currently only 40%. Staff thinks it is a timing issue but will have a better understanding after there is more data.

V. Action Items

Authorization to Advertise

Resolution No. 123-13

Advertise for Bids for the CSO-SSMO Bundles Package #1 Project. Engineer's Opinion of Probable Construction Cost: \$2,300,000.00.

MOTION – Mr. O'Malley moved and Mayor Bacci seconded to adopt Resolution No. 123-13. After discussion and without objection, the motion carried unanimously.

Authorization to Issue Request for Proposals (RFPs)

Resolution No. 124-13

RFPs for Easterly Stand-By Power Improvements and Electrical Upgrades Project.

MOTION – Mayor DeGeeter moved and Ms. Kelly seconded to adopt Resolution No. 124-13. After discussion and without objection, the motion carried unanimously.

Mr. Brown inquired if this the same \$20 million for Southerly put in a number of years ago. Executive Director Ciaccia affirmed and stated it is the stand-by power system that was installed after the events of blackout in 2003. All water plants and most wastewater plants put in stand-by power. At the time there was a rush to install them because no one knew the condition of the power grid and when the next event would occur. Over time staff has become more aware what is needed to enhance the system.

Ms. Rotunno elaborated by stating this is a follow-up project to the stand-by power systems installed in response to the blackout of 2003. In 2010 an engineering study was performed to understand the shortcomings of the stand-by power systems when it came to starting certain blowers and other equipment at Easterly.

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There are issues that need to be corrected in order to fully support the plant's needs in the event of a power outage. There is an obsolete motor control center and miscellaneous necessary electrical upgrades that will be combined with the project. Easterly has had several power glitches over the last six months during which the emergency generators have assisted the plant. However, they are not optimally configured.

Mr. O'Malley inquired regarding the expected cost. Ms. Rotunno advised that this is the design RFP and an estimate will be available as the capital improvements come subsequently.

Authorization to Purchase

Resolution No. 125-13 Annual Purchase from Dell Marketing L.P., Through the Ohio State Term Contract No. 534109, for PC and Laptop Hardware. Cost: \$198,710.00.

Resolution No. 126-13 Purchase from Hewlett-Packard Company Public Sector Sales, Through the State of Ohio Contract No. OA1067, HP Proliant Servers. Cost: \$98,359.38.

Resolution No. 127-13 Direct Purchase from Polychem Systems, on an As-Needed Basis, Tank Parts for the Easterly and Southerly Wastewater Treatment Plants. Cost: Not-to-Exceed \$165,000.00.

MOTION – Ms. Kelly moved and Mayor Bacci seconded to adopt Resolution Nos. 125-13 through 127-13. After discussion and without objection, the motion carried unanimously.

Authorization to Enter Into Agreement

Resolution No. 128-13 Agreement with Cuyahoga County Land Reutilization Corporation for Property Acquisition and Demolition Services.

MOTION – Mr. O'Malley moved and Mayor DeGeeter seconded to adopt Resolution No. 128-13. After discussion and without objection, the motion carried unanimously.

Ms. Kelly asked if the District has utilized this organization before. Marlene Sundheimer, Director of Law, explained that this is an agreement with the Cuyahoga County Land Reutilization Corporation or the County Land Bank. The District has not used the service before. The agreement would enable the District to utilize their experience and cost savings to demolish any structures that might be on properties acquired for construction projects before the

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title transfers. The District would only pay the cost to demolish the structures and other incidental maintenance expenses incurred on the District's behalf. They do not charge for the value of the land.

Ms. Sundheimer advised that since they perform thousands of demolitions per year they have bonded contractors with the proper insurance. They are efficient demolishing residential, commercial or industrial structures. Many of the demolition companies are also MBEs.

Ms. Kelly inquired how the District handled demolitions in the past. Ms. Sundheimer advised that demolition was included in the construction contractor's bid specifications. This practice required waiting until a contract was bid and awarded to perform a demolition. The proposed agreement with the County enables clearing the land before a contract is awarded, which is more cost effective.

Ms. Kelly questioned if the savings can be quantified by using this process. Ms. Rotunno explained that the average cost to demolish a single-family home with Land Bank contracts using local contractors is \$8,000 to \$10,000. A larger contractor utilized to demolish as part of a contract in the past might cost \$15,000. The result is savings around 30% because the Land Bank has a volume discount.

Mr. Brown inquired what assurances there are regarding the quality of the work. Ms. Rotunno stated that the authorization to enter into agreement with the Cuyahoga County Land Reutilization Corporation will define demolition standards.

Mr. Brown stated that he would like to understand how maintenance responsibilities will be managed once work is completed on such projects.

Authorization to Amend Agreement

Resolution No. 129-13

Amend Agreement with the Cleveland Metroparks for the Watershed Stewardship Center at West Creek and Approve the District's 2013 Annual Contribution. Cost: \$117,500.00.

MOTION – Mayor Bacci moved and Mr. Sulik seconded to adopt Resolution No. 129-13. After discussion and without objection, the motion carried unanimously.

Resolution No. 130-13

Modify Agreement with the Lorain County Board of Commissioners for the Inclusion of Columbia Township into the Northeast Ohio Regional Sewer District's Service Area.

MOTION – Mayor Starr moved and Mayor DeGeeter seconded to adopt Resolution No. 130-13. After discussion and without objection, the motion carried unanimously.

Mr. Brown asked if this is another piece of a community or part of a service area. Frank Greenland, Director of Watershed Programs, advised that a failing septic system on an individual property will be tied into the sewer system in the City of Olmsted Falls. The property lies outside of the agreed-upon service boundary between the District and Columbia Township, within the Lorain County Rural Wastewater District. They requested this action due to the proximity of a sanitary sewer in Olmsted Falls.

Mr. Brown questioned if the District's rules of engagement indicate they must connect to a local sewer due to proximity. Mr. Greenland stated that the connection was not a mandate but a request from Lorain County. They may have to extend a sewer into Olmsted Falls to make the connection. Executive Director Ciaccia stated that if it is it relates to residences or businesses that are within the District's service area. This particular property is outside the District.

Mr. Brown stated that he thought the reason they would make the request is because they would be required and are part of the service area. Executive Director Ciaccia stated they are not in the service area.

Mayor Starr stated that the Cuyahoga County Board of Health will not issue a septic tank replacement if there is a sanitary sewer within 400 feet.

Authorization to Enter Into Contract

Resolution No. 131-13	Two-Year Requirement Contract with Simmers Crane Design for Crane Inspection, Maintenance and Repair Services at All Wastewater Treatment Plants and Pump Stations. Cost: \$153,398.00.
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Resolution No. 132-13	Two-Year Requirement Contract with K.A. Steel Chemicals, Inc. for Sodium Hypochlorite Solution for Use at All Wastewater Treatment Plants. Cost: \$1,059,900.00.
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MOTION – Mr. Sulik moved and Mr. O'Malley seconded to adopt Resolution Nos. 131-13 and 132-13. After discussion and without objection, the motion carried unanimously.

Authorization of Property Related Transaction

- Resolution No. 138-13 Authorize Two Permanent Easement Acquisitions and One Temporary Easement Acquisition Necessary for Construction of the Dugway West Interceptor Relief Sewer Project. Total Consideration: \$2,400.00.
- Resolution No. 139-13 Authorize Three Permanent Easements, One Temporary Easement, and Five Fee Simple Acquisitions Necessary for the Construction of the Dugway West Interceptor Relief Sewer Project. Total Consideration: \$71,620.00.
- Resolution No. 140-13 Authorize One Permanent Easement Acquisition Necessary for Access to and Maintenance of the Walworth Run Outfall Repair Project. Consideration: \$89,400.00.
- Resolution No. 141-13 Authorize Fee Simple Acquisition, from Earl Walker, Necessary for Future Use in the Westerly Low Level Interceptor Project. Consideration: \$50,000.00.

MOTION – Mayor Bacci moved and Mr. Sulik seconded to adopt Resolution Nos. 138-13 through 141-13. After discussion and without objection, the motion carried unanimously.

Regarding Resolution No. 138-13, Ms. Kelly inquired what the District will do with the properties when the project is complete. Ms. Sundheimer advised that at the end of the project there will be structure and likely a fence around it. Staff tries to acquire the minimal amount of land needed for the District's purposes. The District's new policy in situations such as this is to look for opportunities to add a neighborhood amenity.

Ms. Rotunno advised that this is the final shaft on the Dugway storage tunnel, which will be the exit shaft and is one of the larger shaft sites. The exit shaft needs to be large and accessible to 17- or 19-axle trucks and take the components of the machine out. District crews will need to have access to the site in the future, but the access portion will not be the complete piece of property taken.

Ms. Rotunno stated that there might be opportunities for redevelopment around the shaft site and/or park elements if there are partners willing to step forward and become the long-term maintenance stewards. Ms. Kelly questioned if a sketch or idea of what that might look like could be presented during a future Board Meeting.

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Ms. Rotunno stated that the Dugway storage tunnel is a future project currently under design; the concepts about what the shaft sites will look like are evolving. There will be community input and a collaborative process in terms of what will be left behind and to make certain maintenance is accounted for as well. Absent community partners, the District would finish the properly nicely with landscaping.

Ms. Rotunno advised that the District has relationship with the Cleveland Foundation on other projects and could potentially partner with them for a leave-behind feature. Such opportunities will be explored and at an appropriate time will be reported to the Board.

Executive Director Ciaccia explained that Constance Haqq and her staff are working on the Good Neighbor Plan for each project and leave-behinds are a part of that plan. Although it is in development some rough conceptual ideas can be discussed. He made clear it is staff's intent to not just leave behind a slab and a gravel access road.

Mr. Brown inquired about the status of the District's partnership with the Cleveland Foundation. Ms. Rotunno advised that they are still engaged with the Cleveland Foundation. LAND studio commissioned Olan, a national consultant, to examine the overlap between the green infrastructure program and potential redevelopment opportunities where the Cleveland Foundation might invest. A report will be available within the next month.

District staff meets regularly with the Cleveland Foundation about other partnering opportunities. Ms. Rotunno stated that there is potential where the right opportunities exist to create a community and cultural benefit.

Mr. Brown stated that the issue will emerge regularly and a policy should be developed that affects how to engage in this regard. The Board ought to be engaged while it is being developed as well. Executive Director Ciaccia indicated he would not be opposed to that. There are policy considerations and some engagement is warranted. He would apprise the Board when a session takes place if they would like to attend.

Mr. Sulik stated that the Cleveland Botanical Gardens has a green program in which vacant lots are transformed into gardens and its produce is sold at markets around the city. They bring in high school students to learn agriculture and how to grow crops. He advised that he spoke with Botanical Gardens staff who said the District does advisory work for them already in this program and perhaps this program could be incorporated into leave-behind features.

Mr. Brown stated that the Greater Cleveland area has become a national leader in urban agriculture and the ability to collaborate the process might be more comprehensive.

Ms. Rotunno advised that staff communicates regularly with the Cleveland Botanical Gardens to collaborate on Green Infrastructure Program. She hopes to involve them more to be a partner.

Authorization to Rescind and Re-Bid

Resolution No. 142-13

Rescind Resolution No. 118-13 with Emerald Environmental Services, Inc. for Ash Removal at the Westerly Wastewater Treatment Plant and Re-Bid Ash Removal at the Westerly Wastewater Treatment Plant. Anticipated Expenditure: \$280,000.00.

MOTION – Mr. O’Malley moved and Mayor Bacci seconded to adopt Resolution No. 142-13. After discussion and without objection, the motion carried unanimously.

VI. Information Items

There were no Information Items.

VII. Public Session (any subject matter)

No members of the public registered to speak during Public Session.

VIII. Open Session

Mr. Brown stated that the Board will elect its officers for the coming year during a July meeting. He asked Mr. Sulik to lead the nominating committee process and asked Mayor Bacci to join in that effort.

IX. Executive Session

There were no matters for discussion during Executive Session.

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X. Adjournment

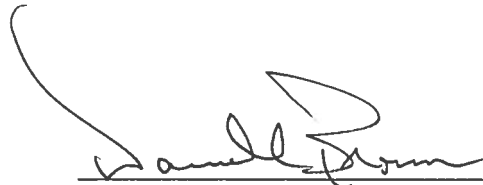
MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Mayor DeGeeter seconded the motion to adjourn at 1:15 p.m. Without objection, the motion carried unanimously.



Sheila J. Kelly, Secretary

Board of Trustees

Northeast Ohio Regional Sewer District



Darnell Brown, President

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