

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
AUGUST 2, 2018

A Regular 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
T. DeGeeter
J. Bacci
J. Ciaccia
S. Dumas
R. Stefanik

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

II. Approval of Minutes

MOTION – Mayor Bacci moved and Ms. Dumas seconded to approve the minutes of the July 19, 2018, Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

There were no items.

IV. Chief Executive Officer's Report

CEO Dreyfuss-Wells began her report by updating the Board on some of the great work the District is doing with community partners.

Constance Haqq, Director of Administration & External Affairs, explained that the District held its second Camp Clean Water, which was held for one week with 14 people between the ages of 11 and 14. A short video was shown which included some of the activities and comments from some of the participants. She stated that the camp will be held again next year.

CEO Dreyfuss-Wells stated that staff has embarked on a public-art initiative with local partner agencies to provide enhancements to sewer construction and Green Infrastructure (GI) projects. She emphasized that the District is not providing funding for the art; they are working with Land Studio and the Trust for Public Land.

BOARD OF TRUSTEES

Regular Meeting

August 2, 2018

Page 2 of 11

Mike Uva, Senior Communications Specialist, explained that the project began in 2015 as staff looked at how other cities incorporated public art in their water and wastewater construction projects. Integrating public art in stormwater management makes an impression, creates a destination and, most importantly, sparks curiosity and discussion. This provides a positive situation to educate people about water quality, where runoff comes from, where it goes and what impacts it could have.

District staff expressed interest to LandStudio to perform these types of projects and proposed to bring public art to a GI site in the Buckeye neighborhood. The District is transforming four blocks along Buckeye Road and the triangular parcel across the street into stormwater retention basins surrounded by new trees and a landscaped plaza area.

Mr. Uva advised that LandStudio had \$30,000 in grant funding from St. Luke's Foundation and the National Endowment for the Arts to bring public art into this project so the District would not pass along these costs to the ratepayer.

The most striking visual feature of the project is a 22-foot-tall water tower sculpture by Steven Manka. The tower is on loan to the District for 50 years from the City of Cleveland. Mr. Manka has also created other water-inspired elements including raindrop street grates. Inscribed on the water tower is a poem by Buckeye neighborhood resident Damian Weir, which makes the connection between wastewater and rainwater traveling through the tunnels to Lake Erie. The District wishes to make that connection between these neighborhood projects and the ultimate destination of Lake Erie.

Short poems by another Buckeye resident, Dawn Arrington, will be inscribed along Buckeye Road and describe the path of rainwater from her neighborhood downhill to the lake.

The Buckeye project is scheduled for completion in 2019.

Mr. Uva further stated that the District is also working with the Trust for Public Land, which is a nonprofit organization whose mission is to create parks and playgrounds and public spaces. They jointly looked at all the District's Project Clean Lake construction plans for the next decade and developed a short list of sites that could be a good fit for public art or site enhancement. The goal was to develop a city-wide plan for identifying, funding and implementing public art projects. Last year they took steps to coordinate between all three organizations and outlined the roles and responsibilities of each organization.

The District's role is to set priorities for which projects to do first, coordinating with the construction plan and serve as a lead partner on technical and engineering issues. District staff will help explain the construction projects to the public and other agencies in public meetings and give final approval of the designs.

The Trust for Public Land has a significant project management role in this partnership. They are responsible for administering the contracts, engaging stakeholders and helping to develop a funding strategy.

LandStudio helps find the artists and design team and coordinate the budget for each construction site.

Mr. Uva stated that the project they are working on now is in University Circle where excavation of the Doan Valley Tunnel is taking place. Construction will significantly impact the neighborhood for over two years because there is a lot of foot and vehicle traffic. Due to its visibly and highly-trafficked location, the approach for this project will be to find a bold, direct explanation of the work being performed there, what the project will do and its benefits.

Graphics will be installed on fences and billboards along the three Doan Valley Tunnel construction sites which goes further in engaging and educating the community. The hope is that some of these design elements can be used at other Project Clean Lake sites as well.

Mr. Ciaccia questioned who the owner of the art is and maintains it. Mr. Uva explained that the maintenance is handled by the District.

CEO Dreyfuss-Wells noted that the majority of the features are either laid into concrete or the grates. However, the District is responsible for maintenance of the water tower.

Concluding the report, CEO Dreyfuss-Wells informed the Board that Jackie Williams, Manager of Procurement Services, and the team in Purchasing have been awarded the 2018 Annual Achievement of Excellence and Procurement Award. The District was one of only two agencies in Ohio to win the award among a very select group of agencies in the United States.

V. Action Items

Authorization to Advertise

Resolution No. 275-18

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the Site Restoration Services Project with an Engineer's opinion of probable construction cost of \$250,000.00.

MOTION – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution No. 275-18. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown questioned whether there is a standard for this and how are we designing or maintaining these. Doug Lopata, Program Manager, advised that the District has been buying a lot of property over the years to facilitate the tunnel construction, and now is determining how to restore those sites in an effective manner and create a community amenity after construction is complete.

This project covers about five acres of mostly grass, trees and bushes and is the first phase of future phases that will have larger tunnel sites and a bigger scope.

Mr. Lopata stated that it is important to have easy long-term maintenance access to sites where there are manholes, bar racks and flat gates.

This project has restoration work on the Dugway West project which we'll finish that job with various sites through that area. Some of the East 140th sites are ready for restoration now and the rest of the Dugway South project sites that are not being occupied by a future or current contract.

Mr. Lopata stated that staff is using the guide for construction site restoration developed with the City of Cleveland Planning Department in 2015. The guide has three tiers of restoration projects. Tier-1 is basic grass, trees and bushes for sites that will be owned and maintained in perpetuity by the District. Tier-2 projects are when someone else owns the land and will perform the maintenance.

The next package in 2019 will be the DST-5 site at St. Clair and Lakeview. This site has been used for both the Dugway West Project and Dugway Storage Tunnel Project (DST). The other site is DST-8 which is the termination site for the DST tunnel which will be left flat and green and will be bid next year.

Mr. Lopata explained that this smaller project will be used to test this method. DWIRS sites will be restored in 2018 because they are ready to go and in spring 2019 the East 140th and Dugway South sites will be restored. Staff will continue stakeholder engagement over the next year to help garner support from the community and Phase II restoration services will be bid in 2019.

Mr. Brown stated that it is important that the District keeps up with the number of sites it will control and perform maintenance at a level that befits the District brand.

Mr. Ciaccia questioned whether these former construction sites with major District assets on them are not constructible. Mr. Lopata affirmed but also stated that they try to pin assets into a corner so they could be sold in the future if a buyer came along.

Mr. Ciaccia noted that it was mentioned that some of the sites are owned by other entities and inquired who they might be. Mr. Lopata advised that some are owned by other public entities and are generally park features.

Authorization to Issue Request for Proposals (RFP)

Resolution No. 276-18

Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for Aerial Imagery Services.

Resolution No. 277-18

Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 153, for Design-Build services for the Easterly Bar Screen Conveyor Belt Rehabilitation.

BOARD OF TRUSTEES

Regular Meeting

August 2, 2018

Page 5 of 11

MOTION – Mr. Ciaccia moved and Mayor Bacci seconded to adopt Resolution Nos. 276-18 through 277-18. After the following discussion, without objection, the motion carried unanimously.

Referencing Resolution No. 277-18, Mr. Brown questioned whether the new technology will have a longer useful life than the technology it is replacing. Devona Marshall, Director of Engineering & Construction, advised that the technology will be simplified, which will provide more durability, operational reliability and extend the useful life of the system.

Authorization to Purchase

Resolution No. 278-18

Authorize the purchase of desktops, laptops, monitors and peripheral hardware accessories from Dell Marketing, L.P. under the State of Ohio Cooperative Purchasing Program in an amount not-to-exceed \$328,184.00.

MOTION – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution Nos 278-18. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown inquired what percentage of the system is being replaced under the resolution. Satish Krishnan, Interim Director of Information Technology (IT), advised that the two driving forces for this year's personal computer (PC) refresh is that Windows 7 support ends in January 2020 and the District's older computers do not have license for the newer operating system. The older system will be replaced with Windows 10 computers in two to three years. Additionally, there is an increasing preference for laptops because of increased mobility with wireless network access and ability to access shared files.

About one-quarter of the District's PCs will be replaced on a regular basis.

Mr. Brown questioned what that means to staff that has gotten used to the software that goes with iPads. CEO Dreyfuss-Wells stated that staff will be able to keep their iPads if they like them. The change to Windows 10 is due to the older system not being supported in the near future.

Authorization to Enter into Contract

Resolution No. 279-18

Authorization to enter into contract with enfoTech & Consulting, Inc., for software licensing and professional implementation and configuring services for the Pretreatment Information Management System and Environmental Information Management System Solutions & Implementation Project in an amount not-to-exceed \$786,190.00.

Resolution No. 280-18

Authorization to enter into contract with Vertex Computer Systems for IT professional services related to the Intranet Upgrade Project in an amount not-to-exceed \$129,439.00.

MOTION – Ms. Dumas moved and Mayor Bacci seconded to adopt Resolution Nos. 279-18 through 280-18. After the following discussion, without objection, the motion carried unanimously.

Referencing Resolution No. 279-18, Mr. Brown requested a brief elaboration. Frank Greenland, Director of Watershed Programs, advised that there are three packages that manage data. The first was the laboratory information system, which was adopted by the Board in May. The two packages in this resolution are primarily water quality and industrial surveillance. Staff manages the pretreatment program across the District service area and the PIM system will manage that data. The EIMS manages all other environmental data such as water quality sampling on the streams and SCO compliance monitoring compliance. This award brings those two up to today's standards and increases flexibility.

Sewer Use Code Matters

Resolution No. 281-18

Authorization to adopt the findings of the Hearing Examiner with regard to sewer charges on the account of Ms. Michelle Orndoff, Sewer District Case No. 18-014, that the customer's request be denied.

MOTION – Mayor Stefanik moved and Mr. Ciaccia seconded to adopt Resolution No. 281-18. Without objection, the motion carried unanimously.

Property-Related Transaction

Resolution No. 282-18

Authorize the District to acquire one permanent stormwater easement and one temporary easement located at 7701 E. Linden Lane, in the City of Parma, and known as part of PPN 457-10-057, owned by William E. Platten, Jr. and Jacqueline A. Platten, necessary for the construction of the Baldwin Creek Bank Stabilization Project with a total consideration of \$4,425.00.

Resolution No. 283-18

Authorize the District to acquire two permanent stormwater easements and two temporary easements located on E. Linden Lane, in the City of Parma, and known as part of PPNs 457-10-055,

457-10-058, and 457-10-071, owned by Arlene M. Patten, trustee, necessary for the construction of the Baldwin Creek Bank Stabilization Project with a total consideration of \$12,400.00.

Resolution No. 284-18

Authorize the relocation payment assistance payment of \$52,0000 to Donald and Annie Nelson associated with the District's permanent acquisition of PPN 127-17-120, located at 9863 Kingsbury Blvd., in the City of Cleveland, necessary for the construction of the Kingsbury Run Preliminary Engineering Project.

Resolution No. 285-18

Authorization to enter into a Right of Entry agreement with Kurt's Getaway Bar and Grill for use of certain District-owned property for one day for a total consideration of \$1.00.

Resolution No. 286-18

Authorization to appropriate two permanent subterranean easements, one permanent sewer easement, and one temporary easement, located on a portion of PPN 117-06-059, located at 1631 Wayside Road, in the City of Cleveland, owned by R. DiLillo & Company, LLC, necessary for the construction and maintenance of the London Road Relief Sewer Project and to deposit \$21,300.00, the total appraised value of all easements, with Cuyahoga County Probate Court.

MOTION – Mr. Sulik moved and Mayor Bacci seconded to adopt Resolution Nos. 282-18 through 286-18. Without objection, the motion carried unanimously.

VI. Information Items

1. Financial Reporting and Investment Advisor Performance Report for the Six-Month Period Ending June 30, 2018

Mr. Brown noted that the report had been submitted to the Board.

2. Operations & Maintenance Quarterly Board Update

Frank Foley, Director of Operations & Maintenance, stated that lost and restricted work days for 2018 has decreased considerably but the total restricted work days appear to have increased marginally. That is a result of a program for transitional work opportunities in which an injured staff member would still be able to do other types of work and not lose work time.

BOARD OF TRUSTEES

Regular Meeting

August 2, 2018

Page 8 of 11

The DART rate for safety is the number of incidents per 100 full-time employees that result in lost or restricted time. This is the first time a DART target has been established and the District is under that target.

Moving to effluent quality, Mr. Foley stated that results for total suspended solids at each of the three plants for the second quarter were well under the limits. All plants were also well under the limits for carbonaceous BOD, biochemical oxygen demand, phosphorous and E.coli.

The District is in compliance with all NPDES permit requirements at all of the plants for the second quarter. Two notices of violation were received from the Cleveland Division of Air Quality -- one for mercury emissions at Southerly and another at Easterly for missed roadway inspections. Both notices of violation were promptly addressed.

Staff performed an incinerator stack test at Southerly in April. Mercury was measured at 0.039 milligrams per dry standard cubic meter. The results of the test during the stack testing were 0.037.

Each incinerator at Southerly has absorbent polymer composite vessel for controlling mercury emissions. The vessel captures mercury and chemically binds it to media which are contained in the vessel. Each of these vessels can have up to five layers of the media. These were installed in 2015 with three layers of the mercury-capturing media in each incinerator and worked well. A fourth layer was added in 2017 to enhance mercury control and in January 2018 the manufacturer of the equipment, EnviroCare, Inc., reported that although there was plenty of capacity to capture mercury in the media, some layers had lost their ability to repel water because of the moisture coming into the media through the stacks.

EnviroCare, Inc. had two recommendations: add a fifth layer of the mercury-absorbing media; and on a longer-term basis, add a system to provide a purge of air to dry out the media so it can better capture the mercury. Staff has since added the fifth layer of mercury prior to the stack test and still had that violation, slightly over the limit.

Mr. Foley explained that staff shut down the incinerator as soon as they became aware of that limitation and worked with EnviroCare to determine how to bring it back into compliance quickly. The solution was to insert two new layers at the top and a retest passed.

Mr. Ciaccia questioned whether there is a penalty for the violation. Mr. Foley advised that no penalty is expected.

Mr. Ciaccia noted that when this rule was issued the District was considering a very expensive option for controlling mercury emissions and they opted for a less costly option. He questioned whether this is a result of going with the less costly option. James Bunsey, Chief Operating Officer, affirmed that the option adopted by the District was much less expensive than the other option which is a carbon absorption unit. The carbon adsorption unit also has higher maintenance requirements than the adopted option. Maintenance requirements for the adopted option are periodic replacement of the mercury removal modules. Mr. Bunsey acknowledged that the modules may be getting towards the end of their life cycles. Staff is monitoring both the ability of

the modules to capture mercury and the rate at which it is captured. Staff is looking at an optimization project in which the modules can be dried during operation to increase the rate of mercury absorption. It is expected that this optimization project will be discussed with the Board soon.

Moving to Easterly, Mr. Foley stated that staff has a daily requirement to conduct inspections of the roadways and parking lot areas. To prevent missing inspection dates, staff implemented a computer-based system to track roadway inspections. The system sends out reminders to regulatory compliance staff. Staff will work with the Cleveland Division of Air Quality to see if these requirements can be reduced, minimized or eliminated because the issue that created the need for this requirement no longer exists.

Mr. Ciaccia questioned why Westerly's figures seem to be an anomaly in comparison to the other two plants. Mr. Foley advised that Westerly is a trickling-filter plant and the other two are traditional aeration systems for wastewater treatment.

Mr. Foley stated that in 2018 the District has had only five dry-weather overflows while last year at the same time and had 13. Automated equipment has been available 100% of the time during wet weathers when needed, with the exception of March when it was 97%.

The Operations & Maintenance budget is \$68.3 million for 2018. 2017 actual expenditures and 2018 actual expenditures are about even. The department is currently about \$4 million under budget through June, but he expects that gap to close a little in the second half of the year.

Doug Reichlin, Deputy Chief Operating Officer, advised that one of his principal directions is to run the Operational Readiness Implementation Program and the initial focus is highly intensified in the Renewable Energy Facility.

Mr. Reichlin explained that in the early 2000s there was a recognition that the District needed to be prepared to change directions on biosolids management. The key components of this system were the Zimpro pressure temperature thermal conditioning system and the multiple hearth incinerators -- both of which were approaching the ends of their useful lives. They were also highly intense users of natural gas. The Zimpro process was fairly popular in the 1970s but has fallen out of favor.

An initial screening was conducted of some of the standard methodologies for dealing with biosolids that were available at the time. That screening found that the fluidized bed incinerators and landfill were the finalists for the second more detailed round in addition to the existing facilities and potential for rehabilitation of those existing facilities.

The detailed evaluation continued through 2005 and was later reevaluated and validated by a Blue Ribbon Panel Commission in 2008. The fluid bed incinerators were selected as the lowest cost and best overall environmental benefit including greenhouse gases and standard air emissions and other factors. That facility came online in 2014. Staff looked at that original analysis and compared the assumptions for operating costs to today.

Mr. Reichlin advised that there are five key drivers to Operations and Maintenance costs: sludge production, borrowing rate, landfill haul and disposal costs, natural gas and electricity.

Sludge production rates are 28% less than expected. As the rates have increased there has been some drop-off in industrial users for surcharge for high-strength waste. An industry that discharged to Southerly has gone out of business in that time and the economic turndown changed some economic factors. Fracking has also brought down natural gas and electricity costs dramatically from projections.

Mr. Reichlin advised that compared to the three alternatives, the fluid bed incinerators still have the lowest overall costs.

Mr. Ciaccia noted the electrical generation aspect of the original projections. Mr. Reichlin explained that the analysis includes the centrifuge dewatering because that was replaced and incorporates the energy production of the REF.

Mr. Reichlin stated that the expectation was there would be savings in natural gas and electricity with the energy recovery portion of the facility. Staff looked at the five years of prior operation compared to three full years of the new operation and verified that the District is saving 280,000 mcf per year of natural gas. The District is saving the same amount compared to the projection.

Staff consistently generates 1,000 kilowatts of electricity with the turbine system, which saves a more than half a million dollars per year. Air pollutants were reduced by 75% compared to multiple hearths. Landfill was equal because of the truck driving distances and greenhouse gases are still 50% below the projection for either multiple hearths or landfill.

Mr. Reichlin stated that the facilities are performing as expected despite the major economic/macro-economic changes that have occurred since the planning period.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

MOTION – Mayor Bacci moved and Mayor Stefanik seconded to go into Executive Session pursuant to Ohio Revised Code Section 121.22(g)(4) to prepare for and review negotiations and bargaining sessions with District employees concerning their compensation and other terms and conditions of employment. After discussion and without objection, the motion carried unanimously by roll call vote.

The Board met in Executive Session from 1:29 p.m. to 1:51 p.m.

X. Approval of Items from Executive Session

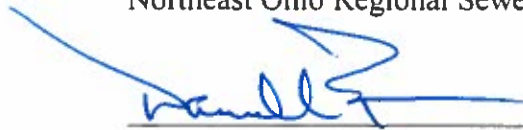
There were no items.

XI. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mr. Sulik moved and Ms. Dumas seconded the motion to adjourn at 1:52 p.m. Without objection, the motion carried unanimously.



Timothy J. DeGeeter, Secretary
Board of Trustees
Northeast Ohio Regional Sewer District



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