

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JULY 21, 2022

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

I. Roll Call

Present: Darnell Brown
Ronald Sulik
Jack Bacci
Marjorie Chambers
Sharon Dumas

Absent: Timothy DeGeeter
Samuel Alai

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

II. Approval of Minutes

MOTION – Ms. Dumas moved, and Ms. Chambers seconded to approve the Minutes of the July 7, 2022 Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

There were no items.

IV. Chief Executive Officer's Report

Ms. Dreyfuss-Wells provided an update regarding NEORSD's ongoing COVID-19 pandemic response and informed the Board that NEORSD staff has no active COVID-19 cases, and 4 employees with COVID-19-like symptoms. There has been a total of 221 employees with confirmed diagnoses since the beginning of the pandemic, all of whom have recovered and returned to work.

Ms. Dreyfuss-Wells provided an update regarding the Infrastructure Investment and Jobs Act, which is the \$1.2 trillion bill that was signed on November 15, 2021. It provides \$50 billion to be administered through the U.S. EPA for all of the issues related to water that fall under the EPA, and approximately \$100 million per year to the Ohio Clean Water State Revolving Fund over the next

five years. The program has a requirement that 49% of the funds have to go through loans in the form of principal forgiveness (hereinafter, referred to as “grants”).

The focus of the grants is on disadvantaged communities and NEORSD’s goal is to ensure that the maximum amount of funding is received in the region. NEORSD will continue to rely on the State Revolving Fund for its Capital Improvement Program (CIP) projects; however, NEORSD is ineligible for this grant funding. Accordingly, NEORSD is partnering with its eligible member communities to nominate their projects to Ohio EPA for this funding, and if the communities are awarded those grants, NEORSD will implement those projects on the communities’ behalf. This builds on NEORSD’s local sewer system evaluation studies (LSSES) and Member Community Infrastructure Program (MCIP) and its long history of helping member communities solve local infrastructure and water quality issues.

The MCIP and NEORSD’s efforts to support the repair and renewal of sewer infrastructure reduces human contact with sewage from sanitary overflows, basement backups, failing septic systems, common trench sewers, and illicit discharges. Ms. Dreyfuss-Wells provided a graphic demonstrating NEORSD’s MCIP awards for 2022 and offered kudos to Frank Greenland, Director of Watershed Programs, Devona Marshall, Director of Engineering and Construction, and their respective teams for their work in implementing the program. The MCIP provides \$15 million per year to member communities to address the approximately \$1 billion in immediate needs as identified by the SSES. Accordingly, NEORSD will do everything possible to obtain this funding from the federal government.

The Ohio EPA is receptive of NEORSD and interested local governments cooperatively nominating projects and has expanded its definition of disadvantaged communities to include urban areas with populations over 10,000, as it was historically only communities of 10,000 residents or below. The proposed criteria from the Ohio EPA includes a median household income of less than \$58,000, unemployment rate greater than 3.3%, a minimum of 30% of households below 200% of the federal poverty level, and low population growth.

NEORSD applied these criteria to 2021 data and created a potential list of disadvantaged communities, which has been provided to the Ohio EPA for review. NEORSD has met with the communities to discuss the potential for NEORSD to nominate projects on their behalf, and if the grants are awarded, NEORSD will implement the projects. NEORSD has received and is reviewing project proposals from the communities. NEORSD is meeting with Ohio EPA next week and will return to the Board for approval to nominate these projects and to enter into agreements with those the communities receiving awards to implement the projects.

NEORSD plans to nominate up to \$20 million in projects on behalf of interested member communities with populations both over and under 10,000 residents. NEORSD would only be applying for grant funding. The communities would be the owners of the projects.

President Brown noted that NEORSD has invested significant time and energy in master planning on a system-wide basis for SSES, and many communities may need to take similar action to understand the problems in their communities. President Brown asked if there is an opportunity to collaborate with the communities to assist them in facilitating the planning to help them to prioritize projects. Ms. Dreyfuss-Wells explained that the SSES has laid that foundation. The issue is that many of the projects require further design. Staff are having conversations with the communities that they can present a problem area to NEORSD, but this is the first year of this new money being available and communities are not going to have projects designed and ready to be executed.

President Brown noted that not just money but other limited resources, in terms of capacity and capabilities to submit applications and provide project oversight, may be an issue for some communities. Ms. Marshall explained that the intention is for NEORSD to try to obtain funding and provide support to the communities. NEORSD provides similar services through the MCIP. If NEORSD is successful in obtaining funding, it will be able to perform detailed design and deliver the projects for the communities. Mr. Greenland added that NEORSD has technical resources for communities to help guide them. NEORSD has good relationships with the service directors, utility directors, and city engineers in each of the communities and has invested \$50 million in local planning to prepare projects for design and construction. NEORSD has internal resources in Engineering & Construction and Watershed Programs to oversee and guide the communities through these processes.

President Brown asked if the process has been formalized to ensure that the communities understand how the process will be approached and how NEORSD can assist them. Ms. Dreyfuss-Wells answered affirmatively and added that this is exactly what NEORSD has laid out in its meetings with the communities to explain that the money will come in over the next five years and NEORSD wants to work with them to obtain as much funding as possible.

Ms. Dreyfuss-Wells continued her presentation and advised the Board that on Tuesday July 19th, NEORSD hosted Cleveland City Council President Blaine Griffin and members of the Cleveland City Council Utilities Committee for a tour of the Easterly WWTP, hosted by Bob Bonnett, Plant Superintendent, and his team, as well as a site visit to the Shoreline Storage Tunnel's main mining site at Forest Hills Park. NEORSD provided a presentation to the group and there was discussion surrounding the Business Opportunity Program and NEORSD's affordability work. Ms. Dreyfuss-Wells thanked NEORSD staff for organizing and attending the event.

This month, NEORSD received the ReadyCertify Award from Cuyahoga County's Office of Emergency Management. The ReadyCertify Emergency Management Certification Program is a voluntary certification from the county and is a way to have an outside organization check NEORSD's planning, training, and public outreach as it relates to emergency management. Ms. Dreyfuss-Wells congratulated John Corn, Emergency Management and Business Continuity Program Manager, and his team for the accomplishment.

V. Action Items

Authorization to Advertise

Resolution No. 234-22 Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for the Green Infrastructure Vegetation Enhancements project with an anticipated expenditure of \$121,000.00.

Resolution No. 235-22 Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for the Easterly Tunnel Dewatering Pump Station Groundwater Drainage Cleaning and Repairs project with an anticipated expenditure of \$800,000.00.

MOTION – Mayor Bacci moved, and Ms. Dumas seconded to adopt Resolution Nos. 234-22 through 235-22. Without objection, the motion carried unanimously.

Authorization to Purchase

Resolution No. 236-22 Authorization to purchase software maintenance and support services for the District's Health & Safety application, EHS Insight, from sole source vendor StarTex Software, LLC, for the period July 21, 2022 through July 20, 2023, in an amount not-to-exceed \$71,400.00.

MOTION – Ms. Chambers moved, and Mr. Sulik seconded to adopt Resolution No. 236-22. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 237-22 Authorization to enter into a construction contract with A.W. Farrell & Sons, Inc. for the District-Wide Roof Improvements 2 project in an amount not-to-exceed \$2,100,850.00.

MOTION – Mayor Bacci moved, and Ms. Dumas seconded to adopt Resolution No. 237-22. After the following discussion, without objection, the motion carried unanimously.

President Brown noted that there had previously been an assessment performed and that this is phase two of the project. President Brown inquired as to how many facilities are included in this phase and whether the project will be ongoing. Ms. Marshall explained that this is the final phase of the two-phase effort. Both phases originated from an assessment performed in 2018. Phase

one is still ongoing as four additional roofs that were supposed to be completed under phase two were added to phase one to accommodate supply chain delays.

In total, the project will repair or replace 19 roofs across the District. There is currently no plan for a future assessment; however, Building Maintenance performs regular inspections in their ongoing efforts to maintain NEORS D facilities. As issues are identified, they are considered under the overall capital plan as to whether they can be addressed individually, or a larger District-wide project is necessary. President Brown asked how many of the roofs are included in this phase and Ms. Marshall explained that 9 of the 19 will be completed.

Authorization of Contract Modification

Resolution No. 238-22 Authorizing final adjusting change order for Contract No. 20000383 with ABC Piping Company, Inc. for the District-Wide HVAC Equipment and Systems Upgrades project by decreasing the contract amount by \$384,433.47, thereby bringing the total contract amount to \$4,474,566.53.

MOTION – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 238-22. Without objection, the motion carried unanimously.

Authorization to Amend Agreement

Resolution No. 239-22 Authorization to amend Agreement No. 21003252 with West Creek Conservancy, No. 21003190 with Western Reserve Land Conservancy, and No. 21003510 with O.R. Colan Associates, LLC for conservation planning and property acquisition services to increase the total authorized amount by \$225,000.00 for all agreements combined, thereby bringing the total authorized amount not-to-exceed \$975,000.00 for all three agreements combined.

MOTION – Ms. Chambers moved, and Ms. Dumas seconded to adopt Resolution No. 239-22. After the following discussion, without objection, the motion carried unanimously.

President Brown asked whether there is a time limit on these contracts and noted that it appears to be a request to add funds to create additional capacity and presumably, at some point it will be necessary to advertise for these services in the future. Mr. Greenland answered affirmatively and explained that this property acquisition and permit acquisition from the Army Corps of Engineers and Ohio EPA are two key things that can drive the speed of implementation of stormwater projects.

These were NEORSD's first contracts for assistance with property acquisition and it has been very successful in helping NEORSD to obtain easement and property acquisitions. There is no contract expiration date, but the funds have nearly been exhausted and there is still much to do. NEORSD is looking to add \$225,000 to the contracts in order to maintain its current momentum.

NEORSD staff is currently drafting a Request for Proposals to present to the Board later in the year and award contracts early next year, which would be a phase two property acquisition contracts.

Property Related Transactions

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| Resolution No. 240-22 | Authorization to acquire one permanent stormwater easement and one temporary easement at the property known as PPN 564-27-009, located at 8930 Brookside Road, in the City of Independence, owned by Paul A. Russ and Catherine Russ, necessary for the construction and maintenance of the Stream Restoration Along Unnamed Tributary to Cuyahoga River at Brookside Road project with total consideration of \$8,510.00. |
| Resolution No. 241-22 | Authorization to acquire one permanent stormwater easement and one temporary easement at the property known as PPN 564-27-026, located at 8990 Brookside Road, in the City of Independence, owned by Jacob Rottinger, Jr. and Donna J. Rottinger, necessary for the construction and maintenance of the Stream Restoration Along Unnamed Tributary to Cuyahoga River at Brookside Road project with total consideration of \$1,140.00. |
| Resolution No. 242-22 | Authorization to acquire one temporary easement at the property known as PPN 564-27-031, located at 8926 Brookside Road, in the City of Independence, owned by Eric F. Romilly and Sharon L. Romilly, necessary for the construction of the Stream Restoration Along Unnamed Tributary to Cuyahoga River at Brookside Road project with total consideration of \$600.00. |
| Resolution No. 243-22 | Authorization to acquire one permanent stormwater easement at the property known as PPN 761-16-015, located at 20009 Butternut Lane, in the City of Warrensville Heights, owned by What A Lovely Home, LLC, necessary for the construction and maintenance of the Mill Creek Restoration near Cricket Lane in Warrensville Heights project with total consideration of \$3,000.00. |

Resolution No. 244-22 Authorization to acquire one permanent stormwater easement and one temporary easement at the property known as PPNs 454-25-001 and 454-25-008, located at 7733 Ridge Road, in the City of Parma, owned by The Greater Cleveland Shiva-Vishnu Temple, Inc., necessary for the construction and maintenance of the Big Creek Stream Restoration Upstream and Downstream of Ridge Road in Parma project with total consideration of \$210,250.00.

MOTION – Ms. Dumas moved, and Ms. Chambers seconded to adopt Resolution Nos. 240-22 through 244-22. After the following discussion, without objection, the motion carried unanimously.

President Brown requested additional information regarding Resolution No. 244-22. Mr. Greenland explained that this project area requires both a permanent and temporary easement. The permanent easement is 11 acres, one of the largest ever sought by NEORSD. An appraisal was performed to determine fair market value of the easement, per NEORSD's usual process. Ms. Dreyfuss-Wells added that a stream runs along the property. Mr. Greenland explained that the stream abuts the property and is part of Big Creek's erosion and flooding area.

President Brown noted that Parma is upstream and as Big Creek flows downstream into Cleveland, it becomes narrow and shallow. As NEORSD tries to provide some conveyance and prevent flooding, the property acquisition required in this area will likely present significant challenges. Mr. Greenland agreed and added that this project will require over 20 easements and 4 property acquisitions. Each time NEORSD obtains a property or an easement, it is in an attempt to recover lost floodplain. This particular property is very important to the project. Big Creek has an enormous amount of impervious cover and in this area, the grade is such that the velocities are intense and create significant erosion.

President Brown added that the repairs upstream protect the downstream portion between the bridge over I-71 and the bridge over I-480 with everything between at risk. Mr. Brown asked if NEORSD's planning has changed due to changing rainfall patterns. Mr. Greenland explained that NEORSD is performing research internally to understand the impact of climate change on the local system. Mr. Greenland is a member of the Water Research Foundation Committee, which is launching a project to gain a better understanding of the situation and are doing infrastructure planning into the future. NEORSD maintains its goal of working to obtain a 100-year level of flood protection. Although this will not be achievable in all areas, NEORSD will continue to assess current trends and future projections to inform its design process.

Hearing Officer Findings and Recommendations

Resolution No. 245-22 Authorization to adopt the findings of the Hearing Officer regarding the sewer and stormwater accounts of Bill Leech, Sewer District Hearing No. 22-010, that no account adjustments be made.

MOTION –Ms. Chambers moved, and Mayor Bacci seconded to adopt Resolution No. 245-22. Without objection, the motion carried unanimously.

VI. Information Items

Ms. Marshall provided the midyear update regarding the CIP beginning with contract management. There are 81 active contracts for a total value of \$973.4 million, \$687.2 million of which is in construction, \$273.2 million in design level contracts, and 413 million in planning level contracts. By location, \$639.5 million is allocated to the collections system, \$240.3 million in plant-specific projects, and the remaining \$93.6 million is in the category of District-wide.

Regarding actuals, 9 professional services contracts have been awarded this year with a total value of \$34.3 million. Included in the professional services contracts are 5 testing and construction inspection services contracts for \$14 million, the Kingsbury Run Consolidation Sewer for \$11.3 million, and the General Engineering Services-10 and -11 contracts for \$3 million each.

There were 6 construction contracts awarded with a combined value of \$159 million, which include: the Westerly Chemically Enhanced High-Rate Treatment for \$80 million; Shoreline Consolidation Sewer for \$55.5 million; Brookside Culvert Repair for \$9.5 million; and the Easterly PLC Replacement for \$8.9 million.

Six construction contracts were closed for a combined total of \$156.9 million. Of note, the Doan Valley Storage Tunnel with a final construction cost of \$136.5 million, and the Easterly Aeration Tanks Rehabilitation for \$9.7 million.

Ms. Marshall provided a graphic demonstrating the various Key Performance Indicators (KPIs) and their status. All KPIs are currently met or exceeded except for cashflow, which closed at 78%, rather than 85%, which should improve as the year goes on, and substantial completion is averaging plus 91 days from the goal of 90 days from planned.

Regarding the BOP, of the 6 construction projects closed for a total of \$156.9 million total paid out, \$34.72 million was paid to BOP firms for a BOP participation rate of 22.13%, exceeding the cumulative goal that was set for those projects of 15.31%. Through the month of June, NEORSD has paid out a total of \$23.6 million of the total cashflow amount of \$93.4 million to BOP firms, which equates to 25.27%.

Regarding work orders by change categories as a percent of construction, of the \$156.9 million total, \$2.78 million was through work orders, equating to 1.77% of the total contract amount, most of which was due to differing or unforeseen site conditions. This is not surprising considering the amount of work performed underground.

Regarding Project Clean Lake, 6 additional projects have been completed since the last update. To date, 44 projects have been completed, 23 are in an active phase, and 13 future projects remain. These projects are necessary to meet the requirements of the Control Measures and currently, 11 of the 25 Control Measures have achieved full operation.

As for spending related to Project Clean Lake, \$1.94 billion has been spent or awarded to date, equivalent to \$1.54 billion in 2009 dollars. When the Consent Decree was signed, the estimated total spend was \$3 billion. Through value engineering, NEORSD has saved \$485 million in 2009 dollars, and is hopeful that the number will continue to grow.

There is currently 1.7 billion gallons of CSO reduction since entering into the Consent Decree and an additional 300 million gallons associated with the activation of the Westerly Storage Tunnel will be achieved by the end of 2023, for 2 billion gallons of reduction annually.

In the first half of 2022, the design of the Kingsbury Run Consolidation Sewer commenced. This project is part of the Southerly Tunnel system which will control an anticipated 750 million gallons of CSO per year. The construction of the Shoreline Consolidation Sewer commenced. This project is part of the Shoreline Storage Tunnel system which will control 370 million gallons of annual CSO reduction. The construction of the Westerly Chemically Enhanced High-Rate Treatment and Disinfection Facility which will provide 260 million gallons of annual CSO reduction also commenced construction. Also of note, post construction compliance activities for Control Measure 20 have commenced. This is a smaller Control Measure that involves a sewer separation and elimination of a CSO location which will achieve approximately 0.2 million gallons of CSO control but will completely eliminate the CSO, making it stormwater only.

In the second half of 2022, construction of the Westerly Storage Tunnel will be completed, achieving 285 million gallons of annual CSO reduction, as will the West 3rd/Quigley CSO Control Project for 7.6 million gallons of annual CSO reduction. Control Measures 17 and 19 will achieve full operation, increasing the total number of completed Control Measures to 13 of 25. Finally, post construction compliance activities for the Euclid Creek Dugway Storage Tunnel System and all of its components, Control Measure 6, will be completed. Control Measure 6 is the largest control measure regarding CSO control, controlling 900 million gallons of annual CSO.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session


Although one matter was planned for executive session, due to the absence of two Board members today, the matter will be reviewed in executive session at a subsequent Board meeting with a full complement of the Board.

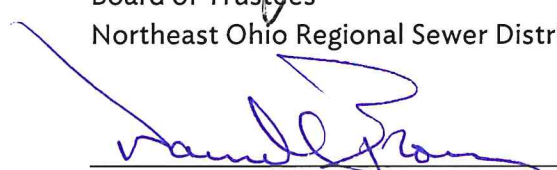
X. Approval of Items from Executive Session

There were no items.

XI. Adjournment

MOTION – President Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved, and Ms. Dumas seconded the motion to adjourn at 1:15 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