

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
SEPTEMBER 7, 2023

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

I. Roll Call

Present: Darnell Brown
Ronald Sulik
Timothy DeGeeter
Jack Bacci
Sharon Dumas
Samuel Alai
Marjorie Chambers

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

II. Approval of Minutes

MOTION – Mayor Bacci moved, and Ms. Chambers seconded to approve the Minutes of the August 17, 2023 Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

There were no items.

IV. Chief Executive Officer's Report

Kyle Dreyfuss-Wells, Chief Executive Officer, advised the Board that the severe weather events on August 23 and 24 had significant impacts on both the stormwater system and the sanitary and combined sewer systems. Ms. Dreyfuss-Wells invited Frank Greenland, Director of Watershed Programs, and Frank Foley, Director of Operation and Maintenance, to provide an overview of the storm, its impact on NEORS and member communities, and NEORS's response.

Mr. Greenland began, explaining that 2023 has been a wet weather year with intense storms. Mr. Greenland provided rainfall radar imagery for the service area and explained that the storm on August 23 resulted in significant rainfall across the area and at a 25-year design storm level in some areas.

By comparison, the storm on July 20 had slightly less rainfall but was very intense in short intervals with some areas getting 1.5 inches of rain in a 15-minute period, the intensity of which is a 200-year event. That sort of intensity causes significant destruction and flooding.

President Brown asked what capacity most sewer systems are designed to carry. Mr. Greenland explained that most community storm sewers in residential areas are designed to handle a 10-year rain event, systems serving commercial areas may be able to handle a 25-year event, and most highway systems are designed to handle a 50-year storm event. Northeast Ohio storm sewers are typically designed for a 10-year rainfall event.

In terms of community outreach, NEORSD performs preventative maintenance and cleanup prior to storms such as clearing debris racks, in an attempt to minimize impacts of storms. Additionally, Watershed Team Leaders reach out to the communities to understand what is happening across the service area. There were several reports of basement and road flooding during the July and August events, particularly on the westside of the service area. Mr. Greenland provided photos of flooding near the Cleveland/Parma border, West 130th Street and Longmead, and the Cleveland Metroparks Zoo. The Zoo had to close due to significant flooding.

Mr. Greenland provided post-storm photographs from areas across the stormwater service area, including a basin in Pepper Pike that did not flood, as well as Kerruish Park and the debris rack at Fairhill on Doan Brook where timber had collected during the storm event.

Mr. Greenland advised that NEORSD cleared significantly more debris following the July storm event than the August storm, with a \$100,000.00 cleanup cost. The contract for these services is approximately \$1.3 million, intended to span a more than 2-year period. It remains to be seen how much debris will enter the system due to the high winds of August 23 and 24.

Mr. Foley began by demonstrating how much flow entered the WWTPs due to the storm. The peak flow experienced on August 23 was approximately 1.6 billion gallons at Easterly, 120 million gallons at Westerly, and 800 million gallons at the Southerly WWTC. All of these totals exceeded the capacities of the plants.

The Easterly WWTP and Southerly WWTC have relief either through overflows or bypasses. At Westerly, excess plant and Northwest Interceptor flows typically flow to the CSOTF facility.

The Edgewater overflow experienced its third overflow for the season. There was surcharging in the Northwest Interceptor between Edgewater and Westerly, as well as flow that entered the CEHRT construction site. The July 20 storm event resulted in 212,000 gallons of overflow at Edgewater, compared with 2.7 million gallons of overflow on August 23.

The Northwest Interceptor is a wet weather pipe that does not typically contain flow during dry weather. Three manhole covers that were bolted down between Edgewater Park and the Westerly WWTP blew off. There was wastewater coming through the interceptor and the surface of the

roadway on Whiskey Island Drive at the entrance to the Westerly WWTP. Mr. Foley provided photographs of the areas and flooding described.

Mr. Foley provided diagrams of the CSOTF facility and the CEHRT construction site and explained that there were two bulkheads, one upstream and the other downstream, to prevent flow from entering the CSOTF and the construction area, as well as the flow pattern in the area during normal wet weather. The upstream bulkhead failed, allowing flow to enter the CSOTF facility and the excavation site. The flow accumulated at the excavation site and as pressure increased, the second bulkhead failed. The flow then dissipated out of the construction area.

The SSMO staff performed cleanup, along with Cleveland Metroparks staff, to remove debris around the manholes and in the park area. WQIS staff posted signs similar to those posted at the beach following an overflow. The manhole covers were resecured by SSMO Staff. Robin Halperin, Manager of Environmental Health, and Safety, notified the Ohio EPA of the event and staff from their Northeast District office toured the area on August 25. NEORSD Engineering and Construction staff assessed potential damage to the interceptor and road and performed most of the necessary repairs, with a few items remaining, including inspection of the remainder of the interceptor and the failed bulkheads.

President Brown asked whether the overflow at Edgewater caused an increase in bacteria at the beach. Mr. Foley explained that he did not have the information on that but that there is a standard protocol wherein the water is sampled repeatedly, and warning signs remain up until the numbers have decreased to safe levels. Mr. Greenland added that there is sometimes an immediate spike and how quickly it resolves is dependent on wind and currents. Mr. Foley further added that NEORSD issues a press release each time there is an overflow at Edgewater Beach.

Ms. Dreyfuss-Wells thanked Mr. Greenland and Mr. Foley and added that NEORSD wanted to update the Board because there were two days of severe events that led to the issues at the Westerly WWTP while in the midst of a large construction project.

President Brown commented that this weather maybe an anomaly or the new normal. Mr. Greenland explained that during his tenure at NEORSD, the rainfall totals have increased, and this type of weather is now what is to be expected.

Ms. Dreyfuss-Wells noted that, as Mr. Greenland reported in his presentation, the projects being performed by Watershed Programs are working, with cities such as Maple Heights reporting less basement flooding during wet weather. Mr. Greenland agreed that NEORSD projects have improved levels of service in many areas; however, as the master planning studies have demonstrated, there is an estimated \$1.4 billion in stormwater projects remaining across the service area. Significant storms such as these create new problems, which NEORSD is investigating.

President Brown added that following the storms, there were several public meetings being held to discuss basement flooding. Local communities should utilize the information provided by NEORSD

to improve their systems and increase capacity. Mr. Greenland agreed and added that the \$15 million per-year MCIP program has had success, but the investments need to continue, as rainfall will continue to increase, and the infrastructure will continue to age. President Brown agreed and noted that the rainfall levels are exceeding what communities saw as a 25- to 30-year level of protection when the infrastructure was built 50 or more years ago. It is imperative that NEORS D continues to share information regarding the systems with communities to assist them in addressing these challenges proactively.

Ms. Dreyfuss-Wells advised the Board that her 2024 goals and priorities were included in their meeting materials. As in previous years, the goals incorporate the Strategic Plan, Diversity, Equity, and Inclusion (DEI) Plan, and Sustainability Plans. Ms. Dreyfuss-Wells' focus continues to be on ensuring that NEORS D is an employer of choice at all levels; helping member communities to access federal infrastructure funding; running an efficient and effective utility for long-term rate control; and recruiting and retaining leaders through succession planning.

V. Action Items

Authorization to Advertise

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| Resolution No. 230-23 | Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for a two-year requirement contract for uniforms and equipment for District security officers with an anticipated expenditure of \$100,000.00. |
| Resolution No. 231-23 | Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for the Renewable Energy Facility Ash Slurry and Induced Draft Fan Variable Frequency Drives Replacement project with an anticipated expenditure of \$120,000.00. |
| Resolution No. 232-23 | Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for the Euclid Creek Tunnel Shaft 1 Grit Removal project with an anticipated expenditure of \$200,000.00. |

MOTION – Mayor Alai moved, and Ms. Chambers seconded to adopt Resolution Nos. 230-23 through 232-22. After the following discussion, without objection, the motion carried unanimously.

President Brown noted that the project associated with Resolution No. 232-23 had been previously bid and asked what is different this time. Mr. Foley explained that NEORS D did not agree with the first contractor's plan to dewater the grit, as they wanted to put it on the ground near a wetland

and planned to charge NEORSD more money to do it differently. The contract was cancelled, NEORSD updated the specifications, and rebid the project.

Authorization to Issue Request for Proposal

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| Resolution No. 233-23 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 153, for pre-design services for the Minnie Creek Near Bagley Road Flood Reduction project. |
| Resolution No. 234-23 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for Gauge Adjusted Radar Rainfall Data and Supporting Services. |
| Resolution No. 235-23 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, to retain a Suite of Coaches for leadership coaching services. |
| Resolution No. 236-23 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for a comprehensive assessment of the District's Diversity, Equity, and Inclusion Program. |
| Resolution No. 237-23 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for the Electronic Bidding Solution Evaluation and Implementation project. |

MOTION – Mr. Sulik moved, and Ms. Chambers seconded to adopt Resolution Nos. 233-23 through 237-23. After the following discussion, without objection, the motion carried unanimously.

President Brown requested additional information regarding Resolution No. 235-23. Constance Haqq, Chief Administrative Officer, advised that since 2018, NEORSD has contracted with the suite of coaches listed in the resolution request and has been very pleased with their services. They work with senior staff and managers in key developmental areas. NEORSD feels that the services have strengthened the staff. Because there are other organizations that perform this work, NEORSD would like to provide opportunities for other organizations to provide services.

President Brown noted, regarding Resolution No. 236-23, that NEORSD is dedicated to diversity, equity, and inclusion (DEI) and requested additional discussion. Ms. Haqq advised that NEORSD has had these assessments performed at least three times in the past to assess whether NEORSD's DEI program is meeting its goals. Ms. Haqq invited Lydia Stump-Hartman, Diversity, Equity, and Inclusion Specialist, to provide an update regarding the program.

Ms. Stump-Hartman advised that after three years of more robust programing and strategy, NEORSD is looking to ensure that the program is as impactful as possible.

The purpose of the DEI program exists to ensure that NEORSD is an employer and business partner of choice, where people of all identities and experiences are understood, appreciated, and fully included in creating a culture of performance excellence. NEORSD leverages the power of diversity to produce results that support the organization's mission, vision, and core values.

NEORSD's Employee Resource Groups (ERG) have hosted 12 District-wide ERG events with 433 engagements with those events. There have been 2 racial justice dialog events discussing indigenous issues. There are 5 DEI subcommittees operating to provide feedback and input on to advance DEI efforts. NEORSD has conducted 7 different topics of DEI training with 90 employees attending those training sessions. All NEORSD departments have continued to have annual DEI goals and will have completed 119 tactics in 2023.

NEORSD's DEI program is guided by five action goals:

The first is to recruit, engage and retain a diverse workforce. NEORSD piloted its Clean Water Fellowship in 2022, which is a two-year rotational program targeted for recent graduates who identify as socially and economically disadvantaged. They rotate through our four more technical departments; Operation and Maintenance, Watershed Programs, Engineering and Construction, and the Technical Services Group, gaining experience. The first Clean Water Fellow that was hired last year was promoted into a Wastewater Plant Operator in Training role in July. NEORSD also hired two new Clean Water Fellows last month. Additionally, NEORSD plans to repost the job requisition this fall in advance of December graduates to bring on one additional Clean Water Fellow for a cohort of three.

The second action goal is to work together in ways that incorporate employee skills, creativity, perspective, and talents. NEORSD has piloted an inclusive leadership workshop series with Operation & Maintenance frontline leaders in 2023. This is a three-part workshop series that focuses on equipping employees to understand their role in creating an inclusive culture.

The third action goal is to learn and apply DEI principals to NEORSD business practices. For more than a year, NEORSD has been working to develop a DEI Tool Kit with a self-service library of resources to help employees operationalize DEI in their day-to-day work.

The fourth goal is to eliminate barriers to participation facing NEORSD employees, customers, and vendors. NEORSD's Resource Fairs have served over 1,000 families so far in 2023 to support residents in enrolling in utility assistance programs.

The fifth goal is to engage business and community partnerships that promote diversity, equity, and inclusion. Over the past two years, NEORSD has become involved in Pride in the CLE, which has served to encourage customers that are excited to see their sewer district promoting these issues and supporting the LGBTQ+ community, as well as served as an activation point for NEORSD's newly founded LGBTQ+ ERG.

Regarding upcoming DEI activities, NEORSD's disability inclusion subcommittee is finalizing recommendations to ensure that it is an employer and partner of choice in the disability community. NEORSD will launch an ERG application that allows for better tracking and analysis of data. Additionally, NEORSD will host a racial justice dialogue on immigration in partnership with Global Cleveland.

President Brown requested additional information regarding Resolution No. 237-23 and added that he is always concerned about ensuring a level playing field as it relates to procurement, and asked whether the intent is to evaluate equitability electronically. Mohan Kurup, Director of Information Technology, explained that the purpose of this resolution request is to simplify the current labor-intensive bidding process, which requires the bidder to supply various documentation, which are collected manually before being reviewed. The intent is to implement a centralized process that should benefit the bidders by informing them if their submission is incomplete at the time of submission, rather than during the review process.

While this should reduce the amount of work by staff as it relates to collation and review, it will not remove the human aspect of the decision-making process and will not present an impediment to smaller businesses with less resources participating in the bidding process.

Authorization to Purchase

Resolution No. 238-23 Authorization of \$567,000.00 to purchase fifty-four (54) Sorbent Polymer Composite media modules for the Renewable Energy Facility Mercury Scrubbers from sole source vendor EnviroCare International, Inc.

MOTION –Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 238-23. Without objection, the motion carried unanimously.

Authorization to Enter Into Agreement

Resolution No. 239-23 Authorization to enter into a reimbursement agreement with the City of Broadview Heights for reimbursement of District construction in an amount not-to-exceed \$1,500,000.00 for local stormwater system improvements and testing and construction inspection services performed under the District's Chippewa Creek Flood Reduction Near Echo Lane project.

Resolution No. 240-23 Authorization to enter into a project agreement with West Creek Conservancy (WCC) to provide local match funding to stabilize a segment of Mill Creek within the Regional Stormwater System under the WCC's Mill Creek at Northfield Road Stream Restoration project with a District contribution toward project costs in an amount not-to-exceed \$160,000.00, and \$241,000.00 from the Ohio EPA Section 319(h) Grant Program, for a total project cost not-to-exceed \$401,000.00.

Resolution No. 241-23 Authorization to enter into a professional services agreement with Wade Trim, Inc. for the Advanced Stormwater Planning of Big Creek West Branch Problem Areas WB-BP-01 to 03 project in an amount not-to-exceed \$1,205,408.00.

Resolution No. 242-23 Authorization to enter into a professional services agreement with Application Software Technology, LLC for the In-House Cost-Savings Management Program project in an amount not-to-exceed \$263,391.70.

MOTION – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution Nos. 239-23 through 242-23. Without objection, by roll-call vote, with all present members voting yes, and recusal from discussion and abstention from voting by Mayor Alai, the motion carried.

MOTION – Ms. Chambers moved, and Mayor Alai seconded to adopt Resolution Nos. 240-23 through 242-23. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 243-23 Authorization to enter into 24-month requirement contracts for boiler preventive maintenance and repair services at all District facilities with sole source vendors Energy Control, Inc. and Boiler Specialists, Inc. and with Johnson Controls, Inc. under the State of Ohio's cooperative purchasing program, as presented, in a total amount not-to-exceed \$719,796.00 for all three agreements combined.

Resolution No. 244-23 Authorization to enter into a construction contract with Shook Construction Co. for the Southerly Second Stage Aeration Improvements project in an amount not-to-exceed \$38,234,400.01.

MOTION – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution Nos. 243-23 through 244-23. After the following discussion, without objection, the motion carried unanimously.

President Brown asked, regarding the project associated with Resolution No. 244-23, what staging might be necessary and what potential capacity impacts there will be at the Southerly WWTC as the project is ongoing. Devona Marshall, Director of Engineering and Construction, explained that this is a large rehabilitation project at the Southerly WWTC specifically to the second stage aeration infrastructure and the associated equipment. This will include structural rehabilitation of all ten concrete aeration tanks, the aeration piping, air compressors, and channel blowers, as well as replacement of the diffusers, actuators, valves, and pumps throughout the system.

The project will impact plant capacity as at least one of the aeration tanks will be out of service at a time, during the 38-month construction period. This will reduce the 480 MGD secondary capacity by 48 million gallons per day (MGD). However, the primary capacity of the plant is greater than the secondary capacity. This means that any flows that exceed the secondary capacity are discharged out of the plant through the primary effluent bypass. The primary capacity is 735 MGD.

There will be approximately 70 total days, with a maximum duration of 28 consecutive days, during the 38-month construction period wherein the secondary capacity will be reduced by 50%, to approximately 240 MGD, with any flows exceeding this capacity discharging out the primary effluent bypass. This will be coordinated with the EPA, as is typical, to ensure that there are not any issues regarding the NPDES permit.

President Brown added that the timing and schedule will be important in this project. Ms. Marshall agreed and added that it is important as it can have financial and environmental impacts.

Authorization of Contract Modification

Resolution No. 245-23 Authorizing final adjusting change order for Contract No. 22000134 with Akron Building & Outdoor Maintenance, Inc. doing business as RiverReach Construction for the Baldwin Creek Stabilization near Abbey Road project to decrease the contract amount by \$85,490.82, thereby bringing the total contract amount to \$677,999.59.

Resolution No. 246-23 Authorizing final adjusting change order for Contract No. 22008509 with Marks Construction, Inc., for the Doan Brook Stream Stabilization at Shaker Heights Country Club project to decrease the contract amount by \$25,904.67, thereby bringing the total contract amount to \$302,905.33.

MOTION – Mayor Bacci moved, and Ms. Chambers seconded to adopt Resolution Nos. 245-23 through 246-23. Without objection, the motion carried unanimously.

Property Related Transaction

Resolution No. 247-23 Authorization to acquire two parcels in fee simple known as PPNs 020-14-140 and 020-14-141, located at 12028 Carrington Avenue, in the City of Cleveland, owned by Huda M. Almobayyed, Trustee of the Almobayyed Family Trust, necessary for the construction and maintenance of the Big Creek West Branch Problem Area 9 project, to enter into an assignment and assumption agreement with Western Reserve Land Conservancy, and to allow for the entirety of the payment to be disbursed to Ohio Real Title Agency, LLC with total consideration of \$100,000.00 plus closing costs.

MOTION – Mayor Alai moved, and Ms. Dumas seconded to adopt Resolution No. 247-23. Without objection, the motion carried unanimously.

Authorization to Grant Credit

Resolution No. 248-23 Authorizing the District to issue a credit adjustment in the total amount of \$40,968.64 against sewer charges on the account ending in 0004 to 13 Associates, LLC, at 11214 Snow Road, Parma.

MOTION – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution No. 248-23. Without objection, the motion carried unanimously.

Authorization to Implement

Resolution No. 249-23 Authorization to implement the 2024 Watershed Partner Service Agreement Program through the issuance of a Request for Proposals in a total amount not-to-exceed \$440,000.00.

MOTION – Mr. Sulik moved, and Mayor Alai seconded to adopt Resolution No. 249-23. Without objection, the motion carried unanimously.

VI. Information Items

Eric Luckage, Chief Legal Officer, provided an overview of the proposed revisions to the Bylaws, as were discussed at the Board of Trustees Governance Committee meeting on August 29, 2023.

Mr. Luckage reminded the Board that the Governance Committee is comprised of President Brown, Mayor DeGeeter, and Mayor Bacci and advised that a redlined copy of the proposed changes was included in their meeting materials.

There are two categories of proposed changes: technical clarifications and Article 14 procurement changes that are necessary due to changes to the Ohio Revised Code.

Beginning with the technical clarifications, the first is to increase the stipend for the two independent members of the Board of Trustees Audit Committee from \$100 per meeting to \$400 per meeting. The amount has not increased since the inception of the Committee and the increase is felt to better reflect their contributions.

The next item is that the current Bylaws allow the public to request notice of public meetings on a specific topic, which NEORS D does, but the current language states that a fee is due to NEORS D for the notice. NEORS D does not charge a fee and would like to remove that fee requirement.

There is a need to clarify the CEO's existing authority over human resources matters. The amendments would specify that HR decisions regarding terms and conditions of employment with respect to paid time off, reimbursable relocation payments, immigration and related fees, and other types of benefits and equity adjustments are among the "Human Resources" authority already residing with the CEO. This is not intended to be a comprehensive definition or list of "Human Resources" authority, but we want to be very clear that these listed items are included. This is primarily in response to situations that have arisen within other governmental agencies wherein criminal charges were brought against decision-makers when there was uncertainty over whether there was explicit authority. This change does not expand the CEO's authority, it only provides clarification.

President Brown asked for clarification for the record that there are four exceptions to that general provision, which is staff that is appointed and affirmed by the Board of Trustees. Mr. Luckage answered affirmatively and explained that the language in the existing Bylaws states that any disciplinary actions that may come with relation to the Chiefs that are listed in the Bylaws would need to be reported to the Board first. That language and all language related to Chief appointments remains unchanged.

Additionally, the Bylaws currently state that the CLO must report all settlements and release agreements to the Board. While this is already done and will continue to be, not all of the items reported are called settlements and releases, so we are making sure to include similar types of agreements, regardless of name.

Also, affirming that the CEO's compensation is determined by contract.

Article 14 procurement changes:

There are two changes included in the recent state budget. Competitive bidding changes in particular will cause a number of changes to NEORS D's procurement processes, which are largely tied to the competitive bidding threshold. Beginning October 3, the threshold will increase from \$50,000 to \$75,000, and will remain as such through 2024, with an annual automatic increase of 3% beginning in 2025.

Under Article 14, NEORSD has added some definitions. The first is intended to add more oversight and transparency and clarify the intent of the Bylaws. Currently, certain oversight requirements apply to construction contracts, such as the 10% limit on the contractor's general allowance and the requirement that there is a final adjusting change order. There is no definition of construction in the Bylaws. The intent of our changes is to make those requirements applicable to "Public Improvement Contracts", which is a broader definition under Ohio law governing procurement, and includes demolition, alteration, repair, and reconstruction; therefore, applying oversight to more contracts. Because the competitive bidding threshold will be adjusted annually beginning in 2025, we created a defined "Competitive Bidding Threshold" that will be used throughout the many sections of the Bylaws, being the threshold under Ohio law that applies to NEORSD at the time of the procurement action, and that amount will be updated by the CFO annually in an appendix that will be attached to the Bylaws.

Ms. Dumas asked whether the CFO includes their designee as well. Mr. Luckage responded affirmatively.

There are a number of sections where the new competitive bidding threshold term will be inserted and replacing the current \$50,000 limit. This is setting when Board approval is or is not needed for various procurements and contracts. All of the current NEORSD limits were \$50,000, which was established to mirror the competitive bidding limits under state law. Since it will be a variable amount going forward, NEORSD is changing these sections of its Bylaws to use the new term and increase annually beginning in 2025.

The next change to the Bylaws is in response to the other change in state law. Currently, NEORSD cannot award a Public Improvement Contract if the bid is more than 10% above the engineer's estimate. The new state law increases the amount to 20%. NEORSD staff wanted the ability to impose a stricter limit, less than 20% on certain contracts, typically large contracts. The proposed change to the Bylaws would allow the CEO to adopt a policy that permits the lower percentage on a contract-by-contract basis. The Governance Committee requested that when a contract is advertised with a percentage that is less than the 20% threshold, that information is included in the resolution request authorizing the invitation to bid on the contract. The Legal Department researched the issue of applying a stricter standard than the Ohio Revised Code, having also discussed it with outside counsel, and is comfortable with the decision. President Brown clarified that in effect, Mr. Luckage described what NEORSD would do as well as the public benefit of why it would take that action. Mr. Luckage agreed.

The next change will impact NEORSD's emergency contracting procedures. Currently, the emergency procedure thresholds begin at \$25,000, with the CEO informing the Board after procurement is made for the \$25,000 to \$75,000 range, followed by the Board ratifying the expenditure. Emergency expenditures greater than \$75,000 require approval from the President or Vice President prior to procurement and ratification. Because the \$25,000 emergency threshold does not match up with the usual \$50,000 threshold, NEORSD is proposing that the \$25,000 threshold be raised to \$75,000 and the \$75,000 threshold be raised to \$150,000. This is the only

area wherein NEORSD is not utilizing the escalating competitive bidding threshold that increases by 3% annually. The \$75,000 and \$150,000 thresholds will remain static.

There are two proposed changes related to the new term “Public Improvement Contract” rather than the existing “Construction” terminology. The changes are intended to clarify the applicability of the provisions and will result in more oversight. The first change relates to the limit on general allowances above 10% unless the Board approves a higher percentage. The second is the requirement to have a final adjusting change order. The amendments would have those controls apply to Public Improvement Contracts, not only construction contracts. Currently, NEORSD can have Board-approved contracts with general allowances over 10% or contracts that have change orders in them, but not require the respective Board action/oversight because they were not considered “construction” contracts. Applying those guidelines to the Public Improvement Contracts will bring more contracts within Board oversight.

Regarding property transactions, currently all property transactions are presented to the Board regardless of value. This was discussed at length with the Governance Committee and the recommendation is that real estate transactions that are less than the competitive bidding threshold can be approved by the CEO and the CLO without Board authorization. All property transactions will continue to be included in the CLO report that is provided semiannually. This change will significantly reduce transactions that are presented to the Board. From January 2020 to June 15, 2023, there are 293 property related resolutions. Had this threshold limit been in place, 242 of those transactions would not have come to the Board.

Mr. Luckage advised the Board that this concluded the proposed changes to the Bylaws. On September 21, NEORSD will propose that the Board adopt the amendments with an effective date of October 3, 2023.

President Brown thanked Mayors DeGeeter and Bacci for their participation and contributions to the Governance Committee. The Committee reviewed, modified, and voted to recommend the Bylaws amendments to the Board for approval. The information will be presented for approval and put in place prior to the changes in the State laws being enacted. Mr. Luckage also expressed appreciation to the Governance Committee and NEORSD staff for their efforts.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

There were no items.

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 1:45 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