

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
DECEMBER 21, 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 December 7, 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 NEORS hosted a Safety Summit at EMSC on December 8. Carla DeSantis, Manager of Health and Safety, provided highlights of projects in 2023 and a look ahead to 2024. Representatives of the safety committees for each District facility discussed their accomplishments in 2023. Darren Robinson, Security Officer, and John Corn, Emergency Management and Business Continuity Project Manager, discussed situational awareness and emergency management. Audrey Hemlinger, a certified safety professional from the Ohio Bureau of Workers' Compensation, joined the discussion regarding ergonomics, which has been part of a year-long safety campaign at NEORS. The event culminated in the health and safety team presenting safety spotlight awards. Ms. Dreyfuss-Wells congratulated the award recipients and thanked the health and safety team for their leadership.

On December 14, NEORSD hosted two public meetings on the Riverview Road Flood Reduction project in Brecksville. The project will address chronic flooding on Riverview Road between Greenhaven Parkway and Wiese Road. Together with the City of Brecksville, NEORSD welcomed approximately 130 residents to morning and evening sessions at the Brecksville Community Center. This project will begin construction in fall of 2024. Mayor Elect Daryl Kingston, City Engineer Jerry Weiss, and representatives from Cuyahoga Valley National Park and the county were in attendance. Ms. Dreyfuss-Wells offered appreciation to the staff in Customer Service and Watershed Programs that managed the event.

Over the past three months, Pete Krouse from Cleveland.com and the Plain Dealer have written three articles about combined sewer overflow reduction and Project Clean Lake. The most recent article ran last Sunday and highlighted NEORSD's proactive approach to addressing climate change over the 25-year span of Project Clean Lake. Mr. Krouse spent a significant amount of time working with NEORSD staff in developing a detailed understanding of the issues and the result is a well done and accurate story that captures NEORSD's efforts. Ms. Dreyfuss-Wells thanked Jean Smith, Director of Administration and External Affairs, and her team for their efforts in coordinating responses to Mr. Krouse's inquiries.

Ms. Dreyfuss-Wells advised the Board that this was the last Board Meeting that Frank Greenland, Director of Watershed Programs, would be attending, as he is retiring at the end of the year. Mr. Greenland has worked for NEORSD since 1988, from his early days as Planning and Project Engineer to Planning Manager, then Deputy Director of Engineering and Construction, and Director of Capital Programs, and now Director of Watershed Programs. Mr. Greenland has been involved in NEORSD's major wet weather initiatives for nearly three decades. This includes CSO control efforts that became Project Clean Lake and development of the Regional Stormwater Management Program, all of which have benefited from his knowledge, expertise, and interpersonal skills. Mr. Greenland's engaging, presenting, and representing NEORSD has increased the understanding of the work performed by NEORSD for employees, public officials, and industry leaders locally and nationally. Ms. Dreyfuss-Wells expressed deep appreciation and congratulations to Mr. Greenland both personally and on behalf of NEORSD.

President Brown added that he has known and worked with Mr. Greenland since he started working for NEORSD in 1988, as President Brown became the Commissioner of Water Pollution Control the same year. Mr. Greenland, Lester Stumpe, and Tom Marsalis, worked diligently to educate President Brown about stormwater and wastewater to ensure that the partnership between NEORSD and the city ran smoothly. President Brown added that he frequently called Mr. Greenland over the years whenever he had a question or concern. They developed a friendship over the years, as they have spent significant time together, including attending every WEFTEC since 1988. Mr. Greenland's wisdom and ability to explain things in a way that anyone can understand will be missed. Mr. Greenland has been the first in a number of positions at NEORSD and has served well in all capacities. President Brown thanked Mr. Greenland personally and on behalf of the Board for work that he has done for NEORSD and the Greater Cleveland Community and wished him well in his retirement.

Mr. Greenland thanked President Brown for his comments and added that he also thanks Lester Stumpe, who hired him, and added that Mr. Stumpe, Erwin Odeal, Mr. Vasulka, Mr. Balis, and others were mentors to him early in his career and passed their knowledge on to him.

Mr. Greenland thanked the Board for their support in approving projects to allow NEORS D to accomplish its goals and added that it is nice to have had a career that he enjoyed. As an avid fisherman and a native Greater Cleveland resident, all he ever wanted was to be able to make a difference in terms of improving and enhancing water quality in the region. To be able to work for NEORS D and achieve a tremendous difference is very satisfying, as is the ability to develop other people professionally.

Mr. Greenland added that his plea for the future and strategic direction of NEORS D is to consider climate change and degrading sewers, which, in his opinion, are the primary issues facing NEORS D customers. NEORS D can have a significant role in helping to alleviate those problems. The Member Community Infrastructure Program is currently at \$15 million in annual funding to our member communities, however, there is \$1 billion in needed repairs and intercommunity drainage problems, making the continuation of that partnership necessary going forward.

Mr. Greenland added that this is a tipping point where good things are happening, but the system is old, necessitating NEORS D to continue to work cooperatively with the communities to address issues such as basement flooding and to continue to provide relief.

Mr. Greenland expressed his excitement for the future of NEORS D and his confidence in Matt Scharver and other NEORS D staff to continue the good work.

Action Items

Authorization to Advertise

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| Resolution No. 359-23 | Authorization to publish notice calling for bids on a two-year public improvement requirement contract for the Renewable Energy Facility Waste Heat Boiler Repair Services, in accordance with Ohio Revised Code Section 6119.10, with an estimated probable cost of \$300,000.00. |
| Resolution No. 360-23 | Authorization to publish notice calling for bids on a two-year requirement contract for Green Infrastructure Maintenance Services, in accordance with Ohio Revised Code Section 6119.10, with an estimated probable cost of \$600,000.00.  |

**MOTION** – Mr. Sulik moved, and Ms. Chambers seconded to adopt Resolution Nos. 359-23 through 360-23. After the following discussion, without objection, the motion carried unanimously.

President Brown noted that, regarding Resolution No. 360-23, the cost of the contract was previously closer to \$450,000 and requested an explanation for the cost increase. Mr. Greenland explained that this is the second such contract for a two-year term. There have been additional sites and services added to the contract, which has increased the estimated cost for all nine of the sites. NEORSD has its own internal services to handle things such as plantings, and this contract is thought to be a good balance between internal and external services.

Authorization to Reject and Re-Bid

Resolution No. 361-23      Authorization to reject all bids and re-bid, in accordance with Ohio Revised Code Section 6119.10, for the REF Steam Sample Panel Replacement project with a revised scope and estimated probable cost of \$265,000.00.

**MOTION** – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution No. 361-23. After the following discussion, without objection, the motion carried unanimously.

President Brown requested an explanation as to the scope and probable cost of the project. Frank Foley, Director of Operation and Maintenance (O&M), explained that the original plan was to move the panel from its current location on the ground floor of the Renewable Energy Facility (REF) building to upstairs, which would require piping changes and additional expense. It was determined that costs could be reduced by keeping the panel where it is located currently and by procuring the panel directly, rather than having a contractor procure it and mark up the cost.

As for BOP opportunities, the Office of Contract Compliance did not identify any BOP certified firms that are capable of performing the work either as it was originally planned or as it is currently.

Authorization to Enter Into Agreement

Resolution No. 362-23      Authorization to enter into a professional services agreement with PNC Institutional Asset Management for investment custodial services, for a five-year term beginning January 1, 2024, in an amount not-to-exceed \$200,000.00.

**MOTION** – Mayor Bacci moved, and Ms. Dumas seconded to adopt Resolution No. 362-23. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 363-23      Authorization to enter into a contract with Corbel Solutions for the purchase of fifteen HPE DL380 Gen10 Plus servers for additional

workload capacity and hardware refreshes, in an amount not-to-exceed \$389,620.00.

Resolution No. 364-23 Authorization to enter into a public improvement contract with DRS Enterprises, Inc. for construction of the Southerly Tunnel Dewatering Pump Station Electrical Service project in an amount not-to-exceed \$2,386,120.80.

**MOTION** – Ms. Chambers moved, and Mr. Sulik seconded to adopt Resolution Nos. 363-23 through 364-23. After the following discussion, without objection, the motion carried unanimously.

President Brown asked if Resolution No. 363-23 is a direct award for the services and if so, why. Mohan Kurup, Director of Information Technology, explained that there was an advertised open bid for this project. In today's marketplace, the profit margin for computer hardware is small, which dissuades some vendors from submitting a bid. NEORSD has done business with Corbell in the past and their bid met all of the requirements. The pricing provided in the bid package was aggressive. President Brown asked if that was confirmed through market research. Mr. Kurup answered affirmatively.

#### Hearing Officer Findings and Recommendations

Resolution No. 365-23 Authorization to adopt the findings and recommendations of the Hearing Officer with regard to the sewer account of Enzo Sberna ending in 9222, Sewer District Hearing No. 23-010, that the customer's request be denied.

**MOTION** – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 365-23. Without objection, the motion carried unanimously.

#### Property Related Transaction

Resolution No. 366-23 Authorization to acquire one parcel in fee simple, known as PPN 020-14-139, located at 12012 Carrington Avenue, in the City of Cleveland, owned by Gary Gilbert and Cheryl Rouland, 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 the Western Reserve Land Conservancy, to enter into a six-month no-cost lease agreement with Mr. Gilbert and Ms. Rouland, and to allow for the entirety of the payment to be disbursed to Ohio Real Title Agency, LLC with total consideration of \$130,000.00 plus closing costs.

**MOTION** – Mr. Sulik moved, and Ms. Chambers seconded to adopt Resolution No. 366-23. Without objection, the motion carried unanimously.

Authorization to Pay Fees

Resolution No. 367-23      Authorizing the expenditure of \$129,400.00 to the Treasurer, State of Ohio, for the Ohio Environmental Protection Agency Annual Discharge Fees for all wastewater treatment plants, for the 2023 calendar year.

**MOTION** – Mayor Bacci moved, and Mayor Alai seconded to adopt Resolution No. 367-23. Without objection, the motion carried unanimously.

Appointment to Grant Credit

Resolution No. 368-23      Authorizing the District to issue a credit adjustment in the total amount of \$46,179.36 against sewer charges on the account ending in 4642 to Shaker Heights Apartment Owner, LLC, 12600 Shaker Boulevard, Cleveland.

**MOTION** – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution No. 368-23. Without objection, the motion carried unanimously.

Authorization to Amend Resolution

Resolution No. 307a-23      Authorization to amend Resolution No. 307-23, adopted November 2, 2023, which approved the District's 2024 salary ranges of all classifications of non-union salaried employees and the hourly wage ranges for all classifications of non-union hourly employees to reflect a five percent (5%) increase, to change the effective date of the new ranges from January 1, 2024, to December 25, 2023.

**MOTION** – Mayor Bacci moved, and Ms. Dumas seconded to adopt Resolution No. 307a-23. Without objection, the motion carried unanimously.

V. Information Items

President Brown noted that the Chief Legal Officer's report for the period July through December 2023 was contained in the meeting materials and any questions should be directed to the Chief Legal Officer separately.

Devona Marshall, Director of Engineering and Construction, provided the Capital Improvement Program monthly update for November 2023, beginning with cashflow. The top six projects for 2023 account for over 70% of the planned cashflow for 2023. Through November, the planned spending was \$127.5 million against these projects and actual spending was \$108.8 million, which equates to just over 85% of planned, on track with that key performance indicator (KPI). Two of the six projects are tracking below the KPI, including the Shoreline Storage Tunnel, which had issues early on in the mining process. Some of that cashflow will be pushed into 2024.

Four projects achieved construction close-out in November, including the District-Wide Roofing Improvements Phase II project, which included the repair or replacement of nine roofs across the WWTPs. The final project cost was \$1.8 million, which was within 95% of the original contract amount, meeting that KPI. The BOP goal was also met with a goal of 5% MBE/WBE and 7.41% projected actual. Total work orders as a percent of construction came in at 0.65%, approximately \$12,000, and all fell under the category of differing or unforeseen site conditions.

The Easterly Tunnel Dewatering Pump Station Groundwater Drainage Cleaning and Repairs Project closed out at \$817,000, which was within 95% of the original contract amount, meeting that KPI. The BOP goals were set at 20% MBE/WBE and 5% SBE and exceeded with projected actuals of 34.63% for MBE/WBE and 53.73% SBE. The total work orders as a percent of construction were 2.38%, which equates to approximately \$19,000, all of which were due to differing or unforeseen site conditions.

The Southerly Boiler Feedwater Pumps Replacement project replaced two failing pumps associated with the REF. The final cost of the project was \$159,000, which was within 95% of the original contract amount, meeting that KPI. This project did not have any BOP goals due to its size and specialized nature. Total work orders as a percent of construction came in at 4.04%, which equals approximately \$6,500, the majority of which was due to owner requested changes.

The Brookside Culvert Repair project involved the structural rehabilitation of approximately 2,300 linear feet of failing corrugated metal culvert that ran through the backyards of approximately 100 residents in the City of Cleveland. The final project cost was \$8.5 million, which was within 95% of the original project amount, meeting that KPI. Of note, NEORSD received \$5 million in funding from the Ohio Builds Funding Program and received reimbursement of \$4.17 million of the \$5 million that was granted. The full amount was not refundable because only funds spent in 2023 were eligible and the project commenced in May 2022. The BOP goals for the project were set at 10% MBE/WBE and 5% SBE. The MBE/WBE goal was exceeded at 31.26%, but the SBE goal fell short at 1.82%. The total work orders as a percent of construction were 0.22%, approximately \$19,000, and all due to differing or unforeseen site conditions.

President Brown asked what the expected useful life of the repair is. Ms. Marshall explained that it was a permanent shotcrete installation and although the application is new to NEORSD, the concrete will last more than 25 years. President Brown noted the difficulties and problems associated with having facilities on residential properties. Ms. Marshall agreed and added that this

is a unique situation in a condensed area that the SWIM team will keep on its route for continual inspection and monitoring.

President Brown asked if easements are required for construction on the facility. Ms. Dreyfuss-Wells invited Eric Luckage, Chief Legal Officer, to discuss the issue. Mr. Luckage explained that this was an existing facility, not constructed by the District, that was failing, and is not currently located in District easements. NEORSD chose to proceed with the project by obtaining the necessary easements for access to get into the culvert. The project did not require an open cut and the work was performed from within the culvert. There are approximately 250 homes with individual property owners that NEORSD would have to get easements from, and that process would likely take years. NEORSD chose to proceed without those easements because the existing culvert was failing and the potential risk to property and public safety was great. There is no current limitation on surface usage via easements.

Ms. Dreyfuss-Wells added that the only limitation is the zoning of the parcels, which NEORSD will continue to monitor and work with the City of Cleveland for easements if necessary, however, this is not an area of significant new development or redevelopment.

President Brown noted that it is more an issue of load and not adding load, but issues could be addressed if and when they arise. Mr. Luckage agreed and noted that it is a challenging situation because of the volume of easements which would require considerable time, effort, and money to acquire. NEORSD chose not to risk the pipe failing and resulting in damage to those properties.

Ms. Marshall invited Lita Laven, Project Manager for Engineering and Construction, to provide a presentation regarding the 2024 Capital Planning process.

Ms. Laven advised the Board that when she interviewed at NEORSD, she was interviewed by Mr. Greenland and Mr. Vasulka and recognized Mr. Greenland for being a mentor to her over her 20 years at NEORSD.

Ms. Laven advised the Board that she has performed the capital planning for the past eight years. The Capital Improvement Plan planning process typically occurs from July through March and is intensive and includes tools such as scheduling software, SharePoint, and coordination with multiple staff across various budget centers throughout NEORSD. The process is intended to ensure that the CSO Consent Decree items are delivered on schedule while prioritizing the non-CSO projects, coordinating with the various budget centers to validate the nominations, understand the potential project needs, and determine whether the nomination is placed on the Capital Plan, while adhering to the finances of the rate structure and informing financial strategies and the rate study.

A significant effort in the process is developing the draft cashflow with the escalation of projects that have not started, and this year construction costs increased 5% and then it is necessary to back-calculate the professional services costs. Ms. Laven acknowledged Jeff Huang, Manager of



Process Controls, as he does significant work in developing the cashflow. The draft cashflow is developed in October or November and refined to deliver the final cashflow in January, followed by documentation being developed in February and March.

This year saw a record high 61 project nominations, most of which came from the WWTPs. There were 7 nominations in the collections system, stemming from the Local Sewer System Evaluation Studies (LSSES). There were 13 nominations at EMSC, primarily because departments are expanding and require additional work and training spaces for staff. As a result, 38 of this year's nominations are being added to the Capital Plan, 11 of which are going to be directly added as standalone projects, 14 nominations were combined into 3 new projects, 11 nominations were added to existing projects, and two nominations were added to placeholders, meaning that they are projects on the Capital Plan but have not yet begun.

Of the remaining nominations, 9 were recommended to be addressed under O&M's Small Projects Initiative, 6 were not approved to move forward, 3 were deferred to potentially be added to the Capital Plan at a later date, 2 will be evaluated through the General Engineering Services and potentially added to the Capital Plan, 2 were added to the operating budget, and 1 is to be addressed by O&M.

In total, approximately \$65 million in projects was added to the Capital Plan over the next 10 years. The estimated capital budget for next year is \$195 million and will be finalized next month. Estimated capital spending for 2022 was \$191 million, and 2023 is projected to be approximately \$162 million.

Two-thirds of next year's \$195 million capital budget will go to CSO reduction projects, while the remaining will include improvements to the WWTP facilities, the collections system, building improvements, and other District-wide projects. It is anticipated that there will be roughly 60 active projects in 2024 and again in 2025.

Capital Improvement projects of note for 2024 will include the District-wide HVAC project, as well as the District-wide space improvements as a result of the aforementioned nominations. The Westerly Trickling Filter and Solids Contact Tank Aeration Improvements project is the first project from the Westerly Facilities Plan that was completed a few years ago. The Mill Creek Interceptor Tunnel Capacity Optimization Study will be presented to the Board next month. This is a planning study to recommend ways to improve the capacity of the Mill Creek system to assist communities in solving their local problems.

VI. Open Session

There were no items.

VII. Public Session (any subject matter)

There were no items.

VIII. Executive Session

There were no items.

IX. Approval of Items from Executive Session

There were no items.

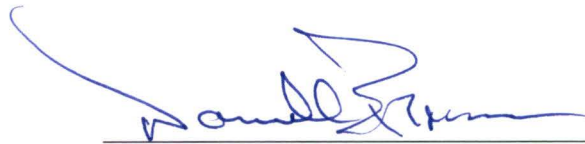
X. Adjournment

**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 1:22 p.m. Without objection, the motion carried unanimously.



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



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