

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JULY 7, 2016

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
W. O'Malley
J. Bacci
T. DeGeeter
R. Stefanik

ABSENT: S. Dumas

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

II. Approval of Minutes

MOTION – Mayor Bacci moved and Mr. O'Malley seconded to approve the minutes of the June 14, 2016, Special Board Meeting. Without objection, the motion carried unanimously.

MOTION – Mr. Sulik moved and Mayor Stefanik seconded to approve the minutes of the June 16, 2016, Board Meeting. Without objection, the motion carried unanimously.

III. Election and Installation of Officers

MOTION – Mayor Bacci moved and Mayor DeGeeter seconded to appoint Mr. Brown as Board President, Mr. Sulik as Vice President and Mr. O'Malley as Board Secretary. Without objection, the motion carried unanimously.

Eric Luckage, Chief Legal Officer & General Counsel, administered the oaths of office to Mr. Brown, Mr. Sulik and Mr. O'Malley.

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IV. Public Session

Chief Executive Officer (CEO) Ciaccia advised that two speakers signed up to speak about Resolution No. 203-16, which is the Stormwater Credit Manual modification. The first speaker was Anna Peters.

Ms. Peters was concerned upon receipt of a postcard regarding the Stormwater Credit Manual modification that she did not understand it and wanted to figure out how the fees came up and what options there are for people who cannot afford it. She also encouraged the District to utilize communication through the mail because more people do not access computers. Mr. Brown stated that the Board appreciated those comments; they are helpful and instructive in terms of where staff needs to focus the District's message so there is clarity and understanding of the program, the rules of engagement and whether there are programs that may result in a reduction in fee.

Constance Haqq, Director of Administration & External Affairs, stated that staff will continue to provide information that is as clear as possible. The next workshop will be held on Tuesday at the Zone Rec Center.

Frank Greenland, Director of Watershed Programs, advised that staff will meet with Ms. Peters after the Board Meeting to specifically address her questions.

The second speaker was Joseph Latina.

Mr. Latina advised that he was a stormwater professional and civil engineer who has been working with Dave Ritter of the District for the comment review period. Mr. Latina stated that it was his understanding that the 2012 Credit Fee Manual was available for comment two months ago and then a revision was received on June 29. He was concerned that was not enough time to review and comment on the revision.

Frank Greenland, Director of Watershed Programs, clarified that the revisions to the Stormwater Credit Policy Manual are the fourth set of revisions since it was first published in 2010. The revisions were out for a 30-day comment period and Mr. Latina provided comments and had discussions with Dave Ritter throughout the process. Staff incorporated some of his suggestions and disagreed with others. Mr. Ritter provided Mr. Latina with the revisions.

Mr. Greenland explained that the typical process is a 30-day comment and review period to make appropriate revisions, respond to comments and propose action to the Board. This would be a second 30-day comment period and staff does not recommend that action. Staff received comments and addressed them. Staff furthermore reached out to Mr. Latina and wants continued discussions. This likely will not be the last time the credit policy manual is amended.

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Mr. Greenland further explained that staff had a lengthy discussion with member communities and others in 2009 and 2010. Some subsequent revisions were in part because of court order actions. This is the fourth set of iterations of proposed revisions to this manual.

Mr. Brown stated that but for the court action the District would have had a rate structure in place continuously even though there would have been comments periodically for updates to the manual. The District will continue these engagements as staff learns new rules and regulations. But in the meantime, projects are ready to move forward.

Mr. Brown advised that he was in a meeting today with the Doan Brook Watershed Partnership and learned that Shaker Heights already has designated projects for their community cost share program. Re-starting the program is an opportunity to make sure everyone knows the rules of engagement and putting them out for comment again was a good step in terms of making sure that professionals responsible for developing plans know the expectations in terms of an appropriate project for funding.

Mr. Greenland advised that as staff implements the Stormwater Program and credit policy they will learn more and at the appropriate time will present the Board with revisions if warranted.

Mr. Latina inquired how often there will be a chance for revision, to which Mr. Greenland advised that revisions are as warranted. Staff encourages discussions with engineers and has Watershed Advisory Committee meetings with member communities and other interested parties.

Mr. Brown stated that at an appropriate time staff may consider some type of advisory council of practicing professionals that could meet on a schedule to discuss how things are going as it relates to known projects.

V. Chief Executive Officer's Report

CEO Ciaccia stated that stormwater billing was tested successfully over the weekend.

Per the action taken at the previous Board meeting related to rates and fees, staff issued a notice to member communities of the intent to change Titles I and IV. The 30-day period of notification ends on July 15 and so far no comments have been received.

The District also sent notification letters to industrial surcharge customers. This was the second round of letters notifying them there will be changes to the surcharge rate. Two customers have inquired regarding further details, including the Cleveland Water Department. Staff has done a good job trying to communicate the changes and the minimal response is because it has been covered in the media and people understand the need to adjust rates to meet obligations.

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Fannie Lewis Law; the District was governed under State code and whatever limitations the State would have. With the signing of House Bill 180 the District would not be able to set enforceable goals anyhow. However, the District does utilize some Water Pollution Control Loan Fund (WPCLF) loans, which have workforce goals set by the federal government. This is not a project with WPCLF loans. The next five-year rate period will include much more WPCLF loans with federal workforce goals attached to those projects.

Mr. Brown stated that things the District does either voluntarily or as policy has done well to include diversity in the procurement of projects through the vendor process, as this project exceeds those requirements.

CEO Ciaccia agreed and advised that for projects like this staff sends a letter to the labor unions involved and asks them to supply workers from certain ZIP codes. Certified payrolls for prevailing wages and in tandem with ZIP codes generate a monthly report. There are over 20% city residents on an ongoing basis. The District monitors and sends out letters and it is not required to do so.

Mr. Brown stated that that discussion ought to be reduced to bulleted talking points because this is a perfect example of the District being part of a local stimulus program. He further stated that the District must be reflective of the community, which means having goals and monitoring to make sure they are being met. These become talking points in terms of how to retool developing skills and competencies for Good Neighbor Ambassadors, not just for District projects but the regional workforce.

CEO Ciaccia clarified that this project does have a WPCLF loan and there will be some federal workforce goals associated with it.

Doug Lopata, Program Manager, advised that East 140th Street Project is part of Control Measure 6, which is included with the Euclid Creek Tunnel and Dugway Storage Tunnel Projects. The project eventually will connect to the Dugway Storage Tunnel Shaft 2 and is split between Cleveland and East Cleveland and is a split project between a tunnel and a green infrastructure project.

This project was significantly lower than the engineer's estimate, primarily due to the contractor having the machine that fit the project local and has done previous tunnel work in similar ground. The vendor gave the District a good price on the machine and per linear foot for the tunnel.

Mr. Brown questioned if the project duration is four years. Mr. Lopata advised that it will be approximately 49 months and the vendor plans to do most of the work in the front half of that project duration. Staff wanted to give them enough time to mine the tunnel and green infrastructure basins.

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Mr. Brown stated that at some point he would like to have a discussion around the impact of the three basins and how they can become a betterment to the community in terms of green space. The District previously got pushback on this project based on the environmental justice aspect, alleging that the project was taking care of others' problems, when it does bring relief to that area in terms of flooding.

Mr. Brown stated that the ability to communicate will be important because the District will be out there for four years and it will require somebody that understands what the District is doing and why they are doing it. The District could create champions on the District's behalf and develop a team that could work in the community in terms of passing on information who could also be utilized in other communities.

Ms. Haqq stated that staff has been in East Cleveland frequently and will work with the community throughout the life of the project.

Ms. Marshall advised that staff had a huge on-the-ground effort with the City of East Cleveland. The citizens express concerns around the unknown. A meeting is scheduled tonight with their safety department to address the citizens' concerns. This is an Appendix 3 Green Infrastructure Project under the consent decree which requires engagement and input from the community. Staff is constantly looking for ways to improve green infrastructure projects to fit into the community and finding opportunities to leave behind better locations than they were found.

Authorization of Contract Modification

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| Resolution No. 197-16 | Modify Contract No. 14003457 with Lake Erie Electric, Inc. for the Southerly Low Voltage Equipment Replacement Project. Cost: A Reallocation of \$835,843.29 from the Identified Deduct Orders to the General Allowance and a Time Extension of 324 Days. |
| Resolution No. 198-16 | Final Modification of Contract No. 14002069 with Cold Harbor Building Company for the Easterly Chemical Storage and Feed Facility Project. Cost: A Decrease in the Amount of \$494,130.64 Bringing the Total Contract Amount to \$6,481,885.36. |
| Resolution No. 199-16 | Modify Contract No. 15000540 with Robert Rakoci to Supplement the Human Resources Staff and Furnish Services Where Necessary for Various |

Reasons for the period of February 11, 2015 through December 31, 2016. Cost: A Change in the Scope of Work with No Change in Contract Price or Duration.

Resolution No. 200-16

Modify Contract No. 13004408 with Crowe Horwath for Internal Audit Professional Services. Cost: An Increase in the Amount of \$10,000.00 Bringing the Total Contract Amount to \$247,500.00.

MOTION – Mayor Stefanik moved and Mr. O’Malley seconded to adopt Resolution Nos. 197-16 through 200-16. After discussion and without objection, the motion carried unanimously.

Property-Related Transaction

Resolution No. 201-16

Authorize One Fee Simple Acquisition in the City of Cleveland Necessary for Construction of the Dugway South Relief and Consolidation Sewer Project. Consideration: \$30,000.00.

Resolution No. 202-16

Authorize Two Relocation Payments Associated with the District’s Permanent Acquisition of Property in the City of Cleveland Necessary for Construction of the Dugway South Relief and Consolidation Sewer Project. Total Consideration: \$5,450.00.

MOTION – Mayor DeGeeter moved and Mayor Bacci seconded to adopt Resolution Nos. 201-16 through 202-16. After discussion and without objection, the motion carried unanimously.

Authorization of Name and Address Change

Resolution No. 124a-16

Authorize a Name and Address Change to a Special Counsel Engagement for Legal Services in Actions Relating to Workers Compensation Matters, Including a Pending Permanent Total Disability Claim.

MOTION – Mr. Sulik moved and Mr. O’Malley seconded to adopt Resolution No. 124a-16. After discussion and without objection, the motions carried unanimously.

Authorization to Amend Manual

Resolution No. 203-16

Amend the Stormwater Fee Credit Policy Manual
to Incorporate the Recommended Changes.

MOTION – Mr. Sulik moved and Mayor Stefanik seconded to adopt Resolution No. 203-16. After discussion and without objection, the motions carried unanimously.

Mr. Brown thanked the staff and broader community for their input in continuing to reshape and refine the policy manual. It is instrumental in determining what stormwater management and stormwater projects effectively should look like in the city or region.

VI. Information Items

There were no items.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

MOTION – Mayor Bacci moved to go into Executive Session pursuant to Ohio Revised Code Section 121.22(G)(3) to consult with the District's legal counsel concerning disputes involving the District that are subject to pending court action. After discussion and without objection, the motion carried unanimously following roll call vote.

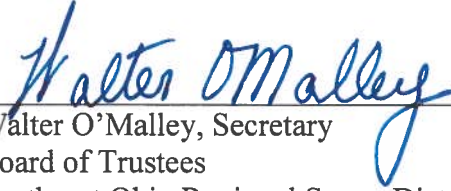
The Board met in Executive Session from 1:27 p.m. to 1:48 p.m.

X. Approval of Items from Executive Session

There were no items.

IX. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Mayor DeGeeter seconded the motion to adjourn at 1:48 p.m. Without objection, the motion carried unanimously.



Walter O'Malley, Secretary
Board of Trustees
Northeast Ohio Regional Sewer District



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