

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
FEBRUARY 5, 2009

Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:33 p.m. by Mr. Brown.

I. Roll Call

PRESENT: D. Brown  
T. Longo  
A. Liberatore  
G. Starr  
R. Sulik  
S. Kelly

*Mayor DePiero was absent.*

Mr. Sulik, Acting Secretary, informed the President a quorum was in attendance.

II. Approval of Minutes

**MOTION** – Ms. Kelly moved and Mr. Sulik seconded that the minutes of the January 15, 2009 Board meeting be approved. Without objection, the motion carried unanimously.

Mr. Brown congratulated Mayor Starr on his re-appointment as a Board member by the Suburban Council of Governments (hereinafter “SCOG”), at its January 29<sup>th</sup> meeting. Mayor Starr was re-elected by the SCOG members to represent communities with populations less than 25,000.

Mr. Brown informed the Board that, due to personal obligations and time constraints, Mr. Liberatore submitted his resignation to Mayor Frank Jackson from his respective Board seat effective after the Board meeting scheduled on February 19, 2009. Mr. Liberatore was a strong advocate on behalf of the District, fulfilling a significant role as the District continues to reorganize its functions for future growth. Mr. Brown indicated that the Board is saddened by Mr. Liberatore’s departure and wished him well in his future endeavors. Mr. Brown publicly thanked Mr. Liberatore for his service and dedication to the District and commended him on “a job well done.”

## BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 2 of 31

Mr. Brown informed the Board that Mayor Jackson appointed Mr. Walter O'Malley to fill the Board vacancy effective March 5, 2009.

Mr. Brown advised that Mayor Jackson re-appointed Ms. Kelly as a Board Member effective March 5, 2009.

### III. Public Session

Executive Director Ciaccia informed the Board that Mr. Norman Edwards registered to speak at the public session regarding rate increases, East Bank Flats, records request, and methane gas, and that the aforementioned topics are not agenda action items.

Earl Leiken, Mayor for the City of Shaker Heights, registered to speak at Public Session regarding stormwater management, and this topic is an information item, but not an agenda action item.

**MOTION** – Mayor Longo moved and Mayor Starr seconded to allow Mr. Edwards and Mayor Leiken to address their comments to the Board at its first Public Session. Without objection, the motion carried unanimously.

Mayor Longo informed the Board that Mayor Leiken is the Vice-President of the SCOG which is responsible for the election of Board members Mayor Starr, Mayor Longo and Mr. Sulik.

Mr. Edwards stated that while reading the news article pertaining to the District's stance on the stormwater issue, he does not feel "that the Board is addressing the public the way it should," especially regarding the dealings with Independence Excavating and the East Bank Flats. He believed the Board should follow the guidelines in their Bylaws.

Mr. Edwards advised that a records request was made to Denise Andres from his Secretary, Perry Roberts, and that they have not yet received the documentation. Mr. Edwards stated that they asked for the contract with Independence Excavating and indicated that he "doesn't even know if it's in existence."

Mr. Edwards stated that "our monies are still not being monitored in the proper fashion, and had the Board monitored the dollars leading up to increases, we would not be asking for rate increases as high as the rate increases that are being asked for, if the Board of Trustees had done their job, and monitored properly our tax dollars, our money." Mr. Edwards stated that the Board "needs to tighten up and to watch and monitor and do things that the Board of Trustees is supposed to do with our tax dollars." Mr. Edwards indicated that the "contracts given to the contractors" include contingencies and allowances, and that contingencies and allowances are another way to "rip the taxpayers

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 3 of 31

off, and to pass something by so you don't see an increase of the 10% of the contract because he might have three or four or five million dollars in contingencies and allowances built in." Mr. Edwards stated that he "would like to see the Board change and work for the people in the community."

Mr. Edwards stated that the District "asked the government for infrastructure money and for Washington D.C. to come in that will supply jobs and that personally, as a black man, I am highly insulted." Mr. Edwards stated that "unless there is some kind of inclusion clause," and that he "could care less about a disparity study," essentially he is "sick and tired of them." Mr. Edwards indicated that he will be in Washington next week to lobby for every penny to have "inclusion for blacks and minorities specifically spelled right out in there."

Mr. Edwards stated that "over the years, there has been a program with the Sewer District for minorities," and that he has not yet received the records requested identifying the contractors, subcontractors and minorities listed. Mr. Edwards claimed that the requested records will assist in getting "down to the bare bottoms" and finding out "the bottom line" in determining the next course of action "whether its taking it legally because we've been omitted from working on these projects." Mr. Edwards stated that it is his tax dollars and his guys' tax dollars and they would like to see the change.

Mr. Edwards inquired if the Mill Creek project at Keruish Park, which he claimed to be a 99.9% African American neighborhood, is being monitored for the methane gas. Mr. Brown deferred this question to District staff, and Director of Engineering and Construction, Kellie Rotunno, indicated that the District is "actively monitoring the MCT-3 project with gas monitors." Mr. Edwards inquired if the District is physically monitoring this site, or using monitors inside of the tunnel. Mr. Edwards stated that it is imperative that these monitors be checked and he inquired whether these monitors are being checked and how often. Mr. Edwards alleged that "if this was in a white suburban neighborhood, that problem would have been corrected by now." Mr. Edwards questioned when the problem will be corrected because "there is a problem" and "it is an African American neighborhood."

Mr. Edwards stated that "as a black man, I'm tired of getting pushed to the limit, and that's to the limit. It needs to be corrected. It's not corrected." Mr. Edwards advised that he travels past the Mill Creek site at least three times a week and has not seen anyone monitoring the project, and he declared that "it should be properly monitored" because "it can explode" and "it's happened before."

Mr. Brown advised that he will speak to five issues.

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 4 of 31

Mr. Brown informed Mr. Edwards that staff will make a presentation at the meeting regarding stormwater management. Mr. Brown stressed that the Board has not taken any action authorizing rates for any programs, and that an integral portion of the decision-making process includes conducting due diligence on the proposals. Mr. Brown advised that there are recommendations on a stormwater program, and that staff will present information regarding a proposed program structure including potential rates.

Mr. Brown referred to Mr. Edwards' allegations regarding a records request not being fulfilled with respect to a contract with Independence Excavating. Mr. Brown informed Mr. Edwards that, as he indicated before, there is no contract between Independence Excavating and the District for the work being completed on the East Bank of the Flats, and that the project is being completed in cooperation with the Wolstein Group who hired a construction contract management firm and "entered into contracts either with Wolstein or the Port Authority," which is the entity that the District negotiated its terms with.

Mr. Brown referred to Mr. Edwards' comments made regarding the "tightening of belts" and allowance issues. Mr. Brown explained that the Board and staff addressed these processes and procedures to prevent "contractors or engineering staff to negotiate or come to terms of agreement on things that are above and beyond the scope of the contract." Mr. Brown stressed that "we have tightened those issues."

Mr. Brown referred to Mr. Edwards' comments made regarding future rate increases and he indicated that this is of "paramount concern" to the Board and District staff. These rate increases are not taken lightly or for granted and it is not desirable to pass this onto the public, but is a result of the outcome of negotiations with the federal government. The federal government mandated that the District mitigate its combined sewer overflows (hereinafter "CSO") in accordance with certain guidelines and parameters.

Mr. Brown advised that the cost to comply with the federal mandate is through a program which will be funded by the District for the reason that this is presently an unfunded federal mandate. Mr. Brown assured Mr. Edwards that the District is very concerned and, in the absence of federal funds, it was requested that the funding come from the ratepayers' dollars. Mr. Brown advised Mr. Edwards that his concern is no greater than the Board's with respect to this issue.

Mr. Brown explained that no action was taken by the Board for the authorization of rate increases for the Stormwater program. The Board is in the process of determining the magnitude and size of its program which may require District funding, and that the potential future costs to ratepayers are being calculated. Mr. Brown stated that the District must conduct its due diligence prior to making any authorizations. Mr. Brown stated that he appreciated Mr. Edwards' concerns and that they are well-founded. He

## BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 5 of 31

assured Mr. Edwards that the decisions made by the Board are in the best interest of the community and the District.

Mr. Edwards inquired if the District “just cut a check and gave it to Wolstein” for the Flats East Bank (hereinafter “FEB”) project. Mr. Brown advised that the District entered into an agreement with the Port Authority, working on behalf of a FEB project in which they funded, along with the City of Cleveland, Cuyahoga County and other agencies for the purpose of developing the FEB area. Mr. Brown stated that the District “did not cut a check.”

Mr. Edwards stated that when he “checked and monitored the job, Independence Excavating had no minorities or African-Americans working on the—that is my sole problem that I have, and I don’t see a change. If you are working in conjunction and you’re giving \$13 million of the Sewer District’s money, and you’re saying that you’re going to have inclusion—for you to say that we gave them \$8 million, and they threw it in the pot. The Port Authority said that they washed their hands. Adam Wasserman says that they have nothing to do with Independence Excavating at all—so they’re over there working and nobody knows who’s paying them, and they have no blacks or minorities on the job—so they circumvent, again. You gave—\$8 million or some dollars came in from here. The County says that they have not put in any money.” Mr. Edwards advised that he is unsure about the City of Cleveland because he “did not ask,” but he did make a request for the contract from the Wolstein Group.

Mr. Edwards stated that he is desirous of seeing “how they are getting paid,” and that he knows “that there were more additional dollars asked for.” Mr. Edwards stated that he could care less about what they do” he is only interested in seeing “inclusion on all projects that are being funded by my tax dollars.”

In response to Mr. Edwards’ comments pertaining to the methane gas issue at the Mill Creek Interceptor, Mayor Long advised that the Phase 3 tunnel “goes within 250 feet” of his house and “is right across the street” through Garfield Park.” Mayor Longo indicated that the Garfield Heights Fire Department has extensive rehearsals and protocols established with the District and other fire departments in the event something happens. This is an ongoing situation which is constantly being monitored, and that his people are very active in this situation. According to Mayor Longo, “safety is the most critical part in ensuring that that facility functions properly, and if there ever is an accident, our response has to be there to do what needs to be done.”

Mr. Brown stated that “there is a need for infrastructure to improve the quality of life” to the residents of those communities. Furthermore, the geology of this area includes methane in the ground which has to be contended with by the District, and that there are accepted practices for dealing with these situations. The Board’s paramount concern is

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 6 of 31

whether the District is in compliance with those measures. Mr. Brown stated that he is confident that staff and the representatives of the consulting firms with whom the District contracted for the monitoring and installation of the instrumentation are aware of the Board's expectations as to due diligence required. Mr. Brown added that the communities and fire chiefs continue to meet and discuss emergency responses and requirements.

Executive Director Ciaccia added that there is "zero evidence" of any issues with the third Mill Creek Tunnel (hereinafter "MCT"). There is no difference between MCT-1, MCT-2 and MCT-3, other than the incident that occurred during construction, which caused construction delays resulting in pending litigation. Executive Director Ciaccia advised that from the District's perspective, a contractor used this as a "red herring issue to alarm the public as a ploy in litigation." Executive Director Ciaccia advised that "there is no problem," and that the District will continue its monitoring nonetheless.

Mayor Leiken, City of Shaker Heights, thanked the Board for allowing him the opportunity to speak at the meeting, and he congratulated Mayor Starr on his re-election. Mayor Leiken commended the District staff on its development of a stormwater management plan. Mayor Leiken indicated that stormwater management is a significant problem for the region, and explained that the existing stormwater system is not effective. There is significant erosion and deterioration, and these problems will only increase in the absence of not addressing this situation. Mayor Leiken advised that the magnitude of this problem cannot be addressed through local community solutions, and that "stormwater knows no local boundaries." Stormwater management mandates a regional solution. Although local communities attempted to resolve stormwater management issues it was ineffective. Mayor Leiken stated that no other body, other than the District, can effectively deal with stormwater management.

President Brown asked Mayor Leiken to come forward and address the Board. Mayor Leiken stated, like many communities, Shaker Heights has had difficulty when attempting to effectively address its stormwater management issues and that this community has had a long tradition of favoring regional solutions. Shaker Heights had a transit system for many years and was at the forefront of the development of a regional transit system. Shaker Heights turned its assets over to the Greater Cleveland Regional Transit Authority, and as a result, the residents of Shaker Heights, as well as the region, are much better served by a regional transit system.

Mayor Leiken stressed that stormwater management is another situation needing a regional solution. Mayor Leiken understood the need for the Board to complete its due diligence on this issue, however, he is hopeful that this plan will ultimately be supported by the Board, and he offered the Board his support and assistance on this issue.

## BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 7 of 31

Mr. Brown thanked Mayor Leiken for sharing his comments which resonated well with the Board. Mr. Brown agreed that "stormwater does not respect jurisdictional boundaries," and that the Board understood the challenges facing the region. Mr. Brown advised that a presentation will be given with respect to stormwater and the trends over the past 20 years, including the rapid increase and escalation in the number of locations within municipalities impacted by stormwater. Stormwater is a problem that went unchecked and continues to exacerbate itself which supports the need for solution. Mr. Brown stated that having sixty-one different solutions as opposed to a regional solution "will not work" and that the ongoing issue is defining stormwater management.

#### IV. Executive Director's Report

Executive Director Ciaccia advised that the monthly departmental report will be given at the next meeting; however, he wanted to address a few issues to the Board.

Executive Director Ciaccia began his report by discussing the economic stimulus issue being discussed in Washington D.C. wherein the House of Representatives (hereinafter "House") passed a bill providing \$819 billion of stimulus programs and projects and in which, \$11.8 billion was specifically targeted for water and wastewater projects. Of that \$11.8 billion, \$2 billion is designated for drinking water, \$3.8 billion for rural water and wastewater, and \$6 billion for wastewater projects. This will be apportioned amongst the states, and the State of Ohio is slated to receive \$330 million of the \$6 billion of the wastewater portion, and 50% of the \$330 million will be dispersed as grants or principle forgiveness programs; the remaining 50% will be available through loans.

The House bill called for the state affordability criteria to govern, which poses a problem for the District for the reason that, in Ohio, the affordability guidelines have a less than 10,000 population and median household income criteria that the District will not meet. Executive Director Ciaccia assured that the District is working with various organizations in an attempt to deal with this issue on the Senate side.

Senator Voinovich contacted Executive Director Ciaccia subsequent to reading an article in the newspaper about the District's potential rate increases effective in 2012. Executive Director Ciaccia, Government Affairs Specialist, Darnella Robertson, and Senator Voinovich had a lengthy discussion about the District's concerns, and these issues will be discussed with Senator Brown, as well.

Associations with which the District is affiliated are keen on this issue, as well, and will attempt to get some relief. Executive Director Ciaccia advised that the District may be able to receive some relief from the state, but is unsure of the details. There will be approximately \$165 million, coming out of the House version, attainable in grant monies, but this will be dispersed amongst many cities within the state of Ohio.

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 8 of 31

Executive Director Ciaccia advised that the Senate version shows that there will be \$4 billion allotted for wastewater, which is \$2 billion less than what was indicated by the House. Senator Feinstein offered an amendment to raise the amount to \$10 billion which was defeated. Senator Voinovich voted against this amendment, and according to Executive Director Ciaccia, Senator Voinovich advised that "he did have issues with what was happening on the Senate side." The basis for the defeat is that it added \$25 billion on top of what was already proposed, and they were looking for some redirecting of the money within what was already proposed. Executive Director Ciaccia predicted that the Senate will pass its version of an economic stimulus package maybe as early as this week and then go into conference committee. Wastewater projects may be allotted \$5 billion; however, there may be additional opportunities within the conference committee to increase the amount to \$10 billion.

The District submitted specific projects to various organizations such as the Ohio Environmental Protection Agency (hereinafter "EPA") including a list of "shovel ready projects" fitting within the EPA's criteria. The District identified \$246 million worth of viable projects that qualify, however, funding is limited. There will be much competition for this money, and Executive Director Ciaccia referenced a news article listing the need for many wastewater related projects in communities including \$34 million in Euclid for CSOs and \$250 million for the Lorain Regional Wastewater Treatment Plant.

According to Executive Director Ciaccia, Senator Voinovich inquired if the District were to receive funding of \$100 million, how would this impact the potential rate increases? Staff is putting those numbers together and plan to follow up with Senator Voinovich. Executive Director Ciaccia stated that "there is a lot of wishful thinking at this point", and the District will continue to keep its "fingers on the pulse."

Mr. Brown inquired as to the expected dollar amount for the District's CSO Long-Term Control Program (hereinafter "LTCP"). Executive Director Ciaccia advised that over a 30-year period, the cost of our capital program is estimated to be over \$7 billion, or \$200 million per year, on average.

Mr. Brown referred to the affordability issues and stated that when he initially became a Board member, one of the principle concerns raised was the amount of time allotted by the federal government. Executive Director Ciaccia advised that this is a different affordability issue, and in this situation, the affordability criterion pertains to the State's issuance of grants as it relates to the stimulus package funds. Mr. Brown was referring to the affordability within the on-going federal negotiations which relates to the dollar value of the program, and the types of projects needed in order to comply with levels of control. Mr. Brown stated that, irrespective of that issue, "affordability means somebody has to pay," and if the District is not able to participate because of the criteria, then this becomes



## BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 9 of 31

the ratepayers' responsibility, particularly in a county having significant unemployment and poverty rates. Mr. Brown stated that failure in recognizing these issues is a concern, and he is hopeful that the folks we are negotiating with, not involved with this particular discussion, will read the meeting minutes to better understand the Board's perspective. Executive Director Ciaccia assured that the involved parties do read the Board meeting minutes and Mr. Brown's comments.

Executive Director Ciaccia moved to the next report item and advised that the District continues its negotiations with the federal government regarding the CSO LTCP, and a meeting was held on January 29<sup>th</sup>. The District submitted its 30-year capital program which is estimated to cost over \$7 billion, and this relates to the affordability issue and how the District proposes to carry out its CSO LTCP, and how much this community can actually afford in mitigating its CSOs issues.

Executive Director Ciaccia advised that he informed the SCOG and the Board previously that the District has \$2 billion in current assets that it must maintain, and the District should invest \$100 million each year for upkeep on said assets. The CSO LTCP requires the District to construct many new assets which it will need to afford to maintain, as well. Executive Director Ciaccia stated that the affordability issues, according to the federal government negotiations, is that if the customers' wastewater bills are more than 2% of the median household income, then the District is considered a high-burdened region or community. If the amount is less, then it is presumed that the District is less than a high-burdened region or community, therefore, can afford more. This will become the determining factor for the schedule and how many projects we will have to do.

Executive Director Ciaccia advised that the January 29<sup>th</sup> meeting included the government's engineer reviewing the District's CSO LTCP in which he provided comments. He raised issues with some of the program's numbers. The projects were estimated with 20%, 25% and 30% planning contingencies (not construction contingencies). The District structured the project estimates in accordance with The Association for Advancement of Cost Engineers, which was determined to be an appropriate method in estimating the cost of these projects. The government's engineer advised that the projects with estimated 30% contingencies were not appropriate and provided anecdotal examples from other communities using 20% and 25%. Executive Director Ciaccia advised if the District limits itself to 20% or 25%, then this will decrease the amount of the overall program, allowing for additional projects. Executive Director Ciaccia advised that these issues, amongst others, are under negotiation with the federal government and that the District meets with them twice a month.

Executive Director Ciaccia advised that the other issue being pressed by the Ohio EPA is the installment of high-rate treatment facilities at the Easterly plant to address the bypasses. The District proposed complete disinfection of all bypasses whereas the

government is desirous of the District installing high-rate treatment for the removal of most, if not all, solids. The District has not reached a final determination and is questioning the effectiveness and cost/benefit of installing high-rate treatment for occasional use. Executive Director Ciaccia advised that Toledo's high-rate treatment facility cost \$100 million to construct, and that operations and maintenance of said facility must be considered as well. The District must determine whether it can afford this type of facility and that the government needs to justify this type of facility from a cost/benefit perspective.

Executive Director Ciaccia advised that at the February 10<sup>th</sup> meeting, the government's economist will inquire about the District's financial plan for the proposed program. An additional meeting is scheduled on February 26<sup>th</sup> wherein the government's economist will provide her findings on the District's financial plan. Executive Director Ciaccia advised that negotiations are going well and that the parties are working collaboratively, the meetings have been non-contentious, and the District and government have agreed and disagreed on many issues. The government is moving toward giving us approvals on some significant projects, because the longer we delay the higher the overall project costs will be. Executive Director Ciaccia advised that the City of Akron recently was sued over its CSO LTCP, which is an undesirable situation, and Executive Director Ciaccia recommended that the District continue working with the government collaboratively.

Mr. Brown inquired as to why the District would use its high-rate treatment facility "occasionally". Ms. Rotunno advised that the District researched various sizes and options of high-rate treatment at the Easterly plant ranging from 100 million to 700 million gallons per day of treatment flow rate. The frequency of use is contingent upon the size of the facility being used. If the District treated overflows from CSO-001, then high-rate treatment would be used three times per year. If the District were to include high-rate treatment of its primary bypass at Easterly, the approximate frequency of use would be 20 times per year. Ms. Rotunno stated that the frequency of use for high-rate treatment is contingent upon its configuration and size.

Mayor Longo inquired as to the difference in cost. Ms. Rotunno stated that the at the low-end it would cost about \$100 million for a 100 MGD treatment rate facility, and at the 700 MGD treatment rate facility would cost approximately \$250 million.

Mr. Brown stated that at \$100 million, the customers have the potential for alleviating three events. Ms. Rotunno advised that treating CSO-001 would result in high-rate treatment three times per year. The outcome of this high-rate treatment results in additional solids removal and disinfection versus the District's proposed plan of disinfection without solids removal. Ms. Rotunno stated that "it boils down to the removal of solids and the efficacy of disinfection that we're discussing with the agency." Mr. Brown stated that "it boils down to the affect of three more incidents" and its

## BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 11 of 31

environmental benefit for \$100 million. Ms. Rotunno corroborated Mr. Brown's statement and indicated that she wanted to assure the Board that this is not being advocated from an engineering perspective because it is a "neat technology." Ms. Rotunno further stated that "it doesn't make sense from an environmental perspective to use a facility of this size only three times per year."

Mayor Starr stated that the District's accomplishments since the Clean Water Act of 1972 have been "quite extraordinary as a Sewer District." Mayor Starr inquired, in terms of water quality, how should the public be enlightened as to the benefits provided from the proposed rate increases of 18% to 20%. Executive Director Ciaccia advised that the cost benefit of high-rate treatment is questionable, however, the "the big picture" is that the District discharges approximately 5 billion gallons of CSOs into the environment each year, which is a substantial amount and needs to be addressed. The District needs to be diligent and vigilant in determining whether the costs vs. benefits no longer seem sensible, and this is where the negotiations stand.

Executive Director Ciaccia indicated that the government was willing to approve the Euclid Creek Tunnel, Dugway East Tunnel and the tunnel dewatering pump station at Easterly, which is about \$1 billion worth of projects. Executive Director Ciaccia stated that the District is required to complete said projects in an effort to address the 5 billion gallons of discharge into the environment. The District is working collaboratively with the government on some of the big issues, and has begun to "hone in on the back end of the program." The cost/benefit of certain projects is questionable, and it will be difficult enlightening the customers. The District has done a great deal in cleaning up the Cuyahoga River. Although many people took credit for the positive turnaround of the Cuyahoga River, Executive Director Ciaccia credited the District and Akron treatment plants for having the greatest impact on cleaning up the Cuyahoga River.

Mayor Starr indicated that, over the years, there have been many environmental groups and scientists rating the Great Lakes and grading sewage treatment plants on its effectiveness. Mayor Starr indicated that a study was published in *The Plain Dealer* about one to two years ago, and he called the author of the study, located in Toronto, Canada, to encourage her to come to the District. According to Mayor Starr, "she brutally attacked" the District, and ranked the District 19 out of 20 sewage treatment plant districts surrounding the Great Lakes, whereas Detroit was ranked the twentieth. Executive Director Ciaccia advised that this resulted from the continuous CSOs and bypasses. If this survey was completed by 1960's standards, it would be different; however, it is 2009's standards and the District needs to strive for a cleaner environment. Mayor Starr suggested the District put together a photograph or visual image depicting the vastness of 5 billion gallons.

Mr. Liberatore inquired as to how the aforementioned billion dollars worth of projects will impact the CSO overflow. Director of Watershed, Frank Greenland, advised that the District will reduce its CSOs by more than 90% district wide, and well above that on the Eastside. The EPA uses different measures, including the amount of activation per year. The Eastside overflows will be at three or less overflows in a typical year, and in many cases, the overflows are at zero, one or two. According to Mr. Greenland, the District's level of control within the state of Ohio and nationally is quite high. The Eastside CSOs approximately overflow 2 billion to 2.5 billion gallons per year; therefore, the District is prioritizing the Euclid Creek and Dugway Brook area projects. Billions of gallons of CSOs will be reduced after these projects are implemented.

Mr. Liberatore inquired if spending a billion dollars will result in a significant difference. Executive Director Ciaccia affirmed.

V. Information Item

1. Stormwater Update Presentation.

Executive Director Ciaccia advised that Mayor DePiero called to advise that he is "on his way" and was travelling from Columbus. He hoped to arrive prior to the meeting's conclusion; however, the District will provide Mayor DePiero with a personal presentation of the stormwater information.

Executive Director Ciaccia thanked Mayor Leiken for his support and comments made during Public Session.

Executive Director Ciaccia advised that stormwater management "is an important program that the District has been planning for many years." Discussions will include the language within the Court Order, and Executive Director Ciaccia advised that a lot of work has gone into this project. In 2008, the District began developing its Stormwater Management Program (hereinafter "SMP") and hired AMEC, a consultant responsible for implementation of many SMPs throughout the country. The District gathered the costs associated with the SMP, and held two rounds of meetings with the mayors of member communities.

The current economic situation has changed the dynamics; however, the District recommends forging ahead with the SMP. Communities surrounding the Great Lakes such as Chicago and Milwaukee are undergoing green initiatives, and it is extremely important for the District to embrace green initiatives if it is going to remain competitive for future growth and development.

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 13 of 31

Executive Director Ciaccia advised that regarding fees and equity associated with SMP, the District treats "more than double" the amount billed. The amount billed is on water consumption, and the District is not compensated for treating inflow and infiltration (hereinafter "I&I") and stormwater that gets into the systems. Executive Director Ciaccia assured that there is equity within the proposed SMP.

Staff will present the SMP and is hopeful in receiving feedback from the Board. If the Board concurs with the SMP, staff will begin its third round of meetings with the member communities, and the District intends to work with the mayors of the respective communities.

Executive Director Ciaccia advised that discussions will include the District's authority.

Executive Director Ciaccia mentioned that Mayor Lyons of the Village of Richfield and an official from the City of Warrensville were present at the meeting, and he thanked them for attending. Executive Director Ciaccia advised that SCOG members received public notice inviting them to attend the meeting and SMP presentation.

Executive Director Ciaccia turned discussion over to Mr. Greenland and Ms. Sundheimer.

Mr. Greenland thanked Mayor Leiken for his comments supporting the SMP and all community officials that attended the Board meeting. Mr. Greenland advised that discussions will include problems and solutions of stormwater management. Mr. Greenland showed the Board various images depicting the impacts of stormwater across the region including flooding and erosion effecting properties, streets, houses and other facilities. Mr. Greenland advised that stormwater is an affliction throughout the country.

Mr. Greenland advised that the District's proposed SMP is not unique nationally, although it is unique to the District, and over 1,000 utilities and stormwater management agencies have been established throughout the country to "battle this tough issue."

Mr. Greenland advised that, in the Greater Cleveland Area, similar situations were prevalent 37 years ago, including coordination between communities, flooding, failing infrastructure, quality of life and water quality issues. In an effort to address these "tough, broad, regional issues," a regional sewer district was created with its initial focus being wastewater. Mr. Greenland stated that the District should be proud of its accomplishments over the years, and that the District had a significant role in cleaning up the Cuyahoga River which burned 40 years ago. The Cuyahoga River is now meeting its water quality objectives, which became a "national success story."

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 14 of 31

Mr. Greenland advised that the District faces similar circumstances with stormwater, and that stormwater is increasingly becoming a significant regional problem. Mr. Greenland advised that staff will “hone in on a solution” for the regional stormwater issues.

Mr. Greenland displayed a photograph depicting regional stormwater problems and possible solutions. High stream flows and velocity causes streambank erosion at Mill Creek threatening Warner Road. Mill Creek flows through many communities. This problem along with other threatened regional systems would be addressed by the District’s regional SMP.

Mr. Greenland displayed a photograph depicting streambank erosion along Chippewa Creek in Broadview Heights, which is a large stream receiving flow from many communities. In this example, various residential units are threatened by the erosion and flooding issues at Chippewa Creek. The District would undertake this problem under its regional SMP.

Flooding is prevalent throughout the District due to the increase of impervious areas, or less green space and more pavement, resulting in water travelling to streams faster. Mr. Greenland displayed a photograph of chronic backyard flooding along Euclid Creek in Highland Heights. Euclid Creek flows through many communities and during significant rain events it cannot accept all the water travelling to the stream. The District can address this problem under its regional SMP.

Mr. Greenland gave the Board a brief overview of the presentation and advised that it addresses two key program roles, revenue needed, stormwater user fee and its calculations, the existing legal authority to implement the SMP, and a timeline of upcoming activities.

Mr. Greenland moved discussion and outlined the accomplishments thus far regarding the development of the SMP. Staff worked diligently with its member communities and watershed groups to determine the types of services and defining District roles for the SMP. Construction cost estimates and operations and cost estimates were identified.

Funding sources including identifying the amount needed, revenue types, and fees established in order to support and implement the SMP.

Mr. Greenland advised that Ms. Sundheimer will discuss the governance and legal aspects pertaining to the SMP.

Mr. Greenland stated that billing and providing services for stormwater requires an abundance of data.

## BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 15 of 31

Mr. Greenland moved discussion to the public outreach used for the SMP. The District met with member communities, federal agencies, county agencies, state agencies, and watershed groups. The District utilized its Stormwater Advisory Committee (hereinafter "SWAC"). Members from the Clinic, schools and churches assisted with guiding the District's activities, and a general awareness campaign is underway for the broader public.

Mr. Greenland identified the first program role as a "Stream System Manager" to be similar to the District's wastewater management role. The District defined and proposed a regional stormwater system, which will be operated and maintained by the District on a daily basis. The District intends to plan, design and construct improvements while preventing future problems. These projects will be above ground and visible, unlike the sewer projects, and the District fully intends to consult and coordinate its projects with its member communities. The District is desirous of introducing stormwater and green infrastructure practices to increase "smart decision making" onsite as the program develops.

Mr. Greenland identified the second program role to be the "Watershed Integrator" which he defined as a "heavy duty coordination role." The District is desirous of playing a central role in coordinating activities amongst its member communities, watershed groups, Ohio Department of Transportation and the Ohio EPA. The District's role is to fully understand community stormwater issues; apply them to a regional level; develop appropriate solutions; implement those solutions; and maintain those facilities daily. Mr. Greenland advised that there are many system structures, lakes, retention basins, dams, streams, pipes, and culverts requiring the maintenance across the region.

Mr. Greenland referred to a map depicting the current District service area, outlined in red, and the blue lines represented the proposed regional drainage and stormwater system. The proposed regional stormwater system is comprised of streams, culverts, storm sewers and retention basins, or 600 miles of streams and pipes that would become the District's responsibility after the SMP implementation. The orange dots depicted the "backlog of stormwater projects" necessary in order to address the existing problems. This information was obtained through previous District work including the 2002 RIDE Study and through consultation with the member communities during its interviews. The yellow dots represented potential first and second year activity projects, and Mr. Greenland advised that it is the District's intent to move quickly on problem-solving projects. The green squares signified high priority maintenance areas along streams or pipes, and the District intends to prioritize these maintenance activities.

Mr. Greenland moved discussion to explain funding for the two roles. The District engaged in financial planning to determine revenue types needed to support the SMP. Mr. Greenland advised that one line item in the revenue assumption included \$1 million

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 16 of 31

to \$2 million for annual billing services and agents providing updated bills. The District identified the resources needed for SMP implementation. There are direct operating expenses or people and external resources providing District roles in operation and maintenance, coordination and capital improvement.

The three highlighted areas were identified as maintenance services, watershed programs and engineering, which are the areas that need to be added in order to accomplish the SMP mission and will be allocated 100% to stormwater utility. Mr. Greenland estimated that the District needs 45 full-time employees in order to carryout the SMP, whereas there is an estimated 10 to 13 staff on hand that could assume these roles. The majority coming from the Watershed Department, and Mr. Greenland advised that Watershed is dedicated to the SMP.

Mr. Greenland moved discussion to community cost share and advised that the District proposed sharing 7-½% of the total revenue with the respective communities. The District will calculate the community's revenue generation and roll back 7-½% to community specific projects and encourage communities to implement projects or programs that are consistent with the District's regional stormwater approach. Mr. Greenland advised that there are some areas that do not require full-time equivalents, but a portion of their time will be allocated to stormwater management.

Mr. Greenland moved discussion to address the construction and capital portions of the SMP. Currently, there is a "backlog of about a quarter of a billion dollars in projects" needed to solve the regional stormwater problems. Mr. Greenland advised that the District assumes it will reduce this backlog over a 15 to 20 year period, but there will be new projects. Mr. Greenland indicated that the 85% of the budget will be used to reduce backlog, 15% will be allocated for emerging priority projects, and construction costs will be escalated at 4% annually. The revenue requirements needed in order to accomplish the Stream System Manager and Watershed Integrator roles as well as reduce the backlog of projects on a 15 to 20 year timeframe is approximately \$40 million annually. Initially, the costs will be higher in the out years, and capital costs exceed operating costs.

Mr. Greenland referred to a slide depicting SMP revenue requirement components, and he advised that 54% of the revenue will be allocated to construction costs whereas the remaining portion will cover operating expenses.

Mr. Greenland moved discussion to explain the fee calculation. The District proposes using an Equivalent Residential Unit (hereinafter "ERU") which measures impervious area. The District conducted an analysis of the household sizes across the service area and discovered that the average residential impervious area is about 3,000 square feet. This sets the unit intended for the user fee called the ERU which is an average of a household's impervious area.



Mr. Greenland explained that determining the fee calculation for larger parcels will be based on the average residential area. If a parcel has 120,000 square feet of impervious area, then divide 120,000 by 3,000, and this calculates into the parcel having 40 times more impervious area than the average residential unit, therefore, the customer pays 40 times more.

The District intends to build credits into its SMP program to reduce customers' fees that manage stormwater onsite by reducing pollutant loads and stormwater volumes. Credits will be offered to customers using retention or detention to either slow down or hold water to prevent downstream erosion. The District is working towards improving stormwater quality, therefore, credits will be offered for low impact development or green infrastructure used for managing stormwater onsite and reduction of stormwater volume. The District will provide credits to customers that assist in educating the public.

The proposed 2010 stormwater fee for an average household size is \$4.75 per month which is based on the revenue requirement needed to drive the SMP program. The fee is based on the amount of impervious area that was determined throughout the District and is a straight calculation applied on a monthly basis or quarterly billing. Mr. Greenland indicated that the District's proposed stormwater fee is in "the moderate range for stormwater functions across the nation." The District intends to reduce its backlog at a measured pace, handle significant maintenance concerns, and expedite its Stormwater Master Plan, early in the program, in order to prioritize and develop future long term capital programs.

Mr. Greenland referred to a graph depicting a national comparison of fees. The District researched typical fees from established utilities similar to the District's size. The District's proposed SMP fee of \$4.75 is indicated by a red bar, which is moderate in comparison to other utilities throughout the country.

Mr. Greenland moved discussion back to the residential fee and stated that the average residential size is the basis for all calculations, however, a three-tiered approach will be provided for the reason that small, medium and large lots generate different levels of stormwater.

Mayor Longo inquired about the square footage used to distinguish between small, medium and large lots. Mr. Greenland advised that small households having less than 2,000 square feet of impervious area will receive a reduced fee from the average household size. Households having between 2,000 and 4,000 square feet of impervious area would pay the average fee of \$4.75. Households having greater than 4,000 square feet of impervious area would pay the large residential tier fee. Mr. Greenland advised that other stormwater utilities use different methods in determining its fees; some use no

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 18 of 31

tiers whereas others use more than three tiers. Mr. Greenland advised that discussions were held and the three tier method was determined to be the most equitable.

Mr. Greenland referred to a slide which provided a sample calculation when determining the monthly fee for large households. An average household pays \$4.75 per month or \$57 annually. If a large household is determined to be 66 times greater than an average household size, then there is 66 times more impervious area. Therefore, this household owner would pay a monthly fee of \$313.50 or \$3,762 annually before credits.

Mr. Greenland stated that the District's role is to "jump start green infrastructure" into the SMP and manage stormwater onsite. The District intends to assist property owners by identifying opportunities of holding and managing stormwater onsite.

Mr. Greenland referred to a slide depicting the 5-year projected fee schedule, and he advised that upward adjustments were made based on inflation and rising construction costs. The District is desirous of setting its capital program at a level to reduce the backlog over 15 to 20 years

Mr. Greenland turned discussion over to Ms. Sundheimer to discuss the District's legal authority to implement the SMP.

Ms. Sundheimer stated that her objective was to ensure that the Board is as comfortable, as herself, with its authority to implement the SMP as proposed.

Ms. Sundheimer moved discussion to explain the District's authority for implementing a SMP. Ohio Revised Code (hereinafter "ORC") §6119 establishes the Board's authority to manage and operate a regional sewer district. The Court Order sets forth the plan for the operation of the District. This determines how the District finances its programs and constructs its projects. The pertinent case law interprets the authority of ORC §6119 and the Court Order. Ms. Sundheimer advised that the District was given "broad authority through ORC §6119 and specific provisions of the Court Order to address the enormous water quality issues facing the region."

Under ORC §6119, "any area in one or more contiguous counties, municipalities or both may be organized as a regional water and sewer district to supply water to users within or without the district or to provide collection, treatment and disposal of wastewater within and without the district."

The District was organized to provide wastewater services within and without the district, and according to ORC §6119, wastewater includes stormwater and any water containing sewage or industrial waste or other pollutants derived from the prior use. Ms. Sundheimer stressed the importance of the term "wastewater" to include "stormwater."

Ms. Sundheimer indicated that the 1972 Court Order identified five reasons supporting the organization of a regional sewer district. There was an increase in the amount of wastewater in the Metropolitan Cleveland area resulting from population and industry expansion. No single governmental entity had the authority to control and enforce the rules and regulations for the purpose of uniform construction procedures to control discharges within the system. Consequently, reoccurring litigation resulting in injunctions practically eliminated all new construction in most of Cuyahoga County. And, lastly, the situation significantly contributed to the pollution in Lake Erie and water tributaries to Lake Erie, thus endangering public health and safety.

Ms. Sundheimer moved discussion to explain how the SMP fits into the District's mandate. She used an image of a three-legged stool and identified each leg as representing the three major mandated programs, including stormwater, CSOs and sanitary sewage. Ms. Sundheimer advised that in her review of the court documents and supporting documentation, it was assumed that the District would implement a SMP.

According to the 1972 Court Order, "the purpose of the District shall be the establishment of a total wastewater control system for the collection, treatment and disposal of wastewater within and without the district, with overall control of all wastewater collection systems in the area through rules and regulations for the purpose of discharges to the systems."

Ms. Sundheimer advised that further in the 1972 Court Order sets forth that "the District will plan, finance, construct, and operate stormwater handling facilities and all other water pollution control facilities." According to the Court Order, the District would not have control over existing local sewage collection facilities, and they would remain under control of the local jurisdiction.

The Court Order was modified in 1975 to include additional language which stated that the "District shall have authority to develop a detailed integrated Capital Improvement Plan for the solution of all inter-community drainage problems both storm and sanitary in the District." After 1975, the District moved forward with planning and implementing its inter-community relief sewer program, and by 1987, the Board adopted a resolution authorizing the construction of this inter-community relief sewer program and charged all costs to all members of the community, including Cleveland. Cleveland filed a lawsuit challenging the District's authority to charge the costs across all the communities.

Judge McMonagle stated six criteria identifying a "regional program," among them are: the collection, transportation, treatment and disposal of wastewater and stormwater throughout the entire District service area would benefit multiple communities; and it would be difficult allocating the construction benefits amongst one or more communities;

## BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 20 of 31

therefore, would provide benefits to both subdistricts. Ms. Sundheimer stressed that this identified that Judge McMonagle's "real mandate for a regional sewer district is to adopt programs that have inter-community benefit, and he explicitly identified drainage problems and stated specifically both storm and sanitary programs." Consequently, in 1999, the District began its study of the implementation of a new SMP.

Ms. Sundheimer advised that the same language was carried over in the 1979 Court Order, and she stated that the language included the construction of stormwater handling facilities. It further stated the District would have authority to plan, finance and construct local sewage collections facilities and systems within and without the District, including both storm and sanitary.

Ms. Sundheimer advised that the District has the authority to regulate and own local stormwater systems.

Ms. Sundheimer stated that the Board can read through the remaining presentation; however, she wanted to provide the Board with an overview of the three Court Orders and the modifications. Ms. Sundheimer stressed that the modifications made to the Court Orders were not specific to the implementation of a stormwater program, and that "nothing changed in the order with regards to the authority to implement the major program."

Ms. Sundheimer stressed that, as the Board reviews ORC §6119, to be mindful that the term wastewater includes stormwater. The remaining presentation outlines the specific authority set forth by ORC §6119, which Ms. Sundheimer provided to the Board. Ms. Sundheimer provided the Board with the legal support for the user fee and case law indicating that stormwater charges are user fees and not taxes. Ms. Sundheimer advised that there is legal support for the method of financing the SMP program through fees based on impervious surface, which was upheld as a "reasonable rational basis."

Executive Director Ciaccia advised that he wanted Ms. Sundheimer to present this information to the Board to address past discussions about the District's legal authority of implementation of a SMP. Executive Director Ciaccia stated that he wanted to emphasize the point that the District does have the "legal authority" and is on firm "legal ground" to implement the SMP.

Discussion was turned over to Mr. Greenland to conclude the SMP presentation. Mr. Greenland advised that the District was desirous of receiving the Board's concurrence to communicate this information to the 61 member communities during its third round of meetings. The District anticipates the SMP to commence in March. The District will expand its effort to inform other groups, and intends to work with Director of

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 21 of 31

Administration and External Affairs, Constance Haqq, and her staff in an effort to communicate this message.

Mr. Greenland stated that the District intends to broaden its message and anticipates meeting with other groups. Mr. Greenland advised that staff will report the discussions which transpired from these community meetings late summer. In the fall, the District expects making a recommendation to the Board for the adoption of the SMP program and associated fees. Mr. Greenland advised that billing issues are being worked on, therefore, the date for the SMP implementation is scheduled for midyear 2010.

Mr. Greenland wanted to acknowledge the staff that assisted on the development of the SMP, and advised that Betsy Yingling and Kyle Dreyfuss-Wells "put a lot of work into this program development." Mr. Greenland's presentation concluded to entertain questions from the Board.

Mr. Sulik inquired if communities are responsible for implementing programs other than the District's SMP with the 7-½% that goes back to local communities. Mr. Greenland replied that the District does not intend to make it an onerous process, but is desirous of having a procedure or process in place to allow communities to nominate or request projects for community cost share funds. The District intends to assure that stormwater revenue for community projects are stormwater related and consistent with the regional approach. Communities will submit projects to the District for review and will receive funding for projects consistent with the SMP.

Mr. Sulik inquired if "these are over and above the ones we would indentify." Mr. Greenland replied that there is an abundance of smaller local projects relating to construction, Phase II, or stormwater that could both benefit the District as well as local communities.

Mr. Sulik stated that the impact on industry will be significant and inquired if the District will educate industries on methods of taking stormwater out of its systems, and whether this would be considered a tax credit. Mr. Greenland clarified that they will receive "credits" and that the District began meeting with large parcel owners to "broaden the campaign" and discuss credit mechanisms. The District met with the Clinic, and they requested assistance to determine methods of reducing and managing stormwater onsite, which is a key role of the integrator function. As an integrator, the District must provide this expertise to industrial properties and communities.

Mayor Starr stated that he represents and spoke with the Mayor of Macedonia and Trustee for Sagamore Hills. Many communities maintain their own stormwater projects and implemented programs addressing stormwater issues. He indicated that the City of Middleburg Heights "spends an average of \$270,000 to \$300,000 a year that we raise

through front foot assessments,” and have done this over the past 20 years. Furthermore, Middleburg Heights also follows this protocol for its sanitary sewers and generated a million dollars per year maintaining its sanitary sewers. Mayor Starr inquired as to how communities implementing existing stormwater programs will be affected. Mr. Greenland advised that there are programs geared toward local sewer maintenance, however, he could not “speak to how many are geared at stream system management.”

Mayor Starr stated “we do it all. We do culverts. We do streams.” Mr. Greenland replied that the District’s goal is to “manage the regional system and work with communities to make that happen.” Communities undertaking stormwater management initiatives are beneficial; however, the SMP “supports and broadens the role across this region.” Although a community may have a program in place, it typically does not integrate a regional perspective. Conversely, when the District maintains systems or attacks problems, it uses a regional approach and addresses issues from coming upstream into a community as well as leaving the community. Mr. Greenland indicated that the SMP looks beyond borders, identifies the most cost effective solution and ensures that problems are not being created moving forward. The District intends to work with the communities, and provide its expertise and revenues in order to “tackle the big regional problems.”

Mr. Greenland advised that some communities have existing stormwater utility fees, however, a regional approach may provide greater opportunity for the community to do more in the stormwater arena, but these issues will need to be discussed. Furthermore, the District held discussions with Macedonia and will continue addressing how the SMP will dovetail ongoing local projects.

Mayor Starr inquired whether the member communities should “abandon and cancel” its existing maintenance schedules and fees and rely solely on the District, or if credits will be given for local projects underway. Mr. Greenland replied that these are site specific communities and discussions. After understanding the regional approach, communities may decide to reduce their fees, freeing up this revenue to provide greater stormwater management opportunities to their residents.

Mayor Starr inquired if the District will conduct I&I testing, dye testing, smoke testing and cross connections. Mr. Greenland advised that I&I and sanitary basement flooding are not direct components of the SMP. Mr. Brown commented that the District already regulates this, to which Mr. Greenland replied for the sanitary wastewater system, however, he would not discount the SMP having an impact on I&I. Mr. Greenland stated that “if a stream is flooding and the storm sewers can’t get out, there’s capacity problems, I&I occurs, and storm sewers infiltrate, it gets in the sanitary,” therefore, “dealing with flooding helps in this regard.” The District is developing strategic planning initiatives to “look broader into that area” including issues related to overflows from sanitary sewers.

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 23 of 31

Ms. Sundheimer added that the District has “broad authority in crafting this SMP” including the option of entering into inter-community agreements. If a community has a significant stormwater program in place, there is an option to negotiate inter-community agreements regarding shared control and management of stormwater issues. Ms. Sundheimer explained that, taking into consideration the discussions held involving Summit County communities, this may be an option they want to explore, and that the District is interested in receiving feedback on this matter.

Mayor Starr inquired if the District intends to enter into 61 separate agreements with City Councils, similar to how each initially became member communities, and if a resolution is passed without public involvement. Ms. Sundheimer advised that this has not yet been finalized. The District entered into standard service agreements with its member communities for wastewater; however, there could be improvements that would actually “spell out the specific rules and responsibilities of the District versus the community.”

Executive Director Ciaccia clarified that the District has had the “standing authority to establish this stormwater program,” and it is staff’s recommendation to “exercise that authority and establish a program and fee.” Executive Director Ciaccia advised that Ms. Sundheimer’s comments pertained to communities having “peculiar issues” and to allow inter-agency agreements will address those particular issues. Executive Director Ciaccia advised against providing communities with “opt-out options” stating that, from a regional perspective, “a Swiss cheese type of program” will not work. The SMP includes all member communities, and the District “will work out the peculiarities of each individual community through the inter-agency agreements.”

Mayor Starr inquired how long the rate structure is effective. Mr. Greenland advised that a five-year fee schedule was developed.

Mayor Starr inquired if the SMP will be run at the District’s administrative headquarters in which Mr. Greenland affirmed.

Mayor Starr requested Mr. Greenland to readdress the staffing requirements needed for the SMP. Mr. Greenland advised that much discussion was held pertaining to the staffing and external resources needed in order to accomplish the roles of the SMP. It was determined that the District will need 45 full-time staff members to successfully implement the SMP. There are approximately 12 to 13 staff members currently on hand; therefore, the District will need an estimated 30 new hires. There are some indirect staffing requirements that do not necessitate an actual hire for stormwater.

Mayor Starr stated that his last question pertains to “local business development, economic development within our 61 communities and any permitting requirements that,

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 24 of 31

we as local government, will have to come to the District over a specific project, business development project.” He inquired if businesses desirous of locating in member communities will be required to go through a review process with the District. Mr. Greenland stated that “the majority of the time, no.” The District intends to “protect the regional system,” and “there is potential through the Codes of Regulations or development of design guidelines.” Many communities, the engineers and development committees advised that this “would be a good opportunity for consistency throughout the region.” The discussion needs to be broadened to include those groups to determine the definition of consistency. Mr. Greenland advised that there are guidelines for detention basin ordinances, and it is the District’s responsibility to ensure its compliance. The District is desirous of providing levels of service to the communities along these regional systems. Mr. Greenland stated that “we are going to look at that, but from the permitting aspect that’s a tough question to answer today.” Mayor Starr inquired if this is “to be announced in the future because that is an important question for most communities.”

Ms. Sundheimer stated that the District intends to develop a new chapter in its Code of Regulations that govern the regulations of the SMP including standards of adherence, similar to the wastewater program. The District sets regulatory standards in which communities in their local systems are required to meet. Furthermore, prior to the authorization of connecting into the District’s system, certain rules and regulations have to be complied with. Ms. Sundheimer advised that a similar set of rules and regulations will be established for the SMP, and it is the authority of a regional district to maintain the enforcement of regional standards. Executive Director Ciaccia added that the District intends to bring this to the Board including the fees in early fall.

Mayor Starr stated that this is “similar to the agreement that the City of Cleveland, the Water Department wants us to join their system and turn over our water mains to them—then they would do capital improvements.” Mayor Starr inquired as to how the District will “determine which capital projects get approved within the 61 communities” and who is responsible for the approval of said projects. Will a committee be established, or is the Board going to make the determination. Mr. Greenland advised that the Stormwater Master Plan will be developed across the region based on watershed areas. The District is desirous of obtaining community involvement and its officials’ input while developing the Stormwater Master Plan. Mr. Greenland indicated that the District intends to develop the plans, capital program and priorities by watershed “with healthy community input, and then implement the projects in a watershed basis.” According to Mr. Greenland, the District has a “good understanding of revenue by community and revenue by watershed” and the goal is to “balance that over time.”



BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 25 of 31

Mayor Starr commended staff and stated that they “put together a good program” and are “reaching out to all the communities” in order to receive their input. Mayor Starr stated that he “looks forward to the next stage.”

Mayor Longo stated that “with all the regulations that have come down over the past 5, 10 years, EPA driving the process, many communities have adopted ordinances and regulations on stormwater management, construction,” and somehow this is “going to have to be brought together.” The EPA and Army Corps of Engineers have rules “that are going to have to be brought into this” and to “take this pressure off the local communities to address this.”

Mayor Longo stated that the District treats wastewater for some communities or portions of communities, and the remainder may ultimately decide to turn its wastewater over to the District. Some communities may join the District for stormwater management only. Mayor Longo suggested that there be “some consistency be brought together” and “all these different regulations” in an effort to assist local city engineers and communities in the decision-making process. Mr. Greenland appreciated Mayor Longo’s comments and indicated that these issues were at the forefront of many discussions held with the communities, and the District, in its role, intends to define consistency as it pertains to regulations, ordinances, guidelines and standards.

Mayor Longo stated that the District may have to adopt a procedure that supersedes local communities or “some form of variance set up because no matter how well you think something through, there is always a fly in the ointment that comes up that means that you have to change something.” Mayor Longo stated that “without consistency, you’ll go crazy” and not having a “procedure in place where we can adapt to some unique situation could drive us all right into the lake.”

Mayor Longo referred to the discussion held regarding credits, and he advised that many member communities are establishing rain gardens or collecting water in rain barrels. Mayor Longo questioned if the District intends to offer credits to homeowners exercising green initiatives. Mayor Greenland advised that the District is “looking into that right now,” and that some communities “shy away from it” for the reason that it may become an administrative burden. Mayor Longo recommended the District look into this issue. Mr. Greenland added that the District intends to encourage stormwater management to a million people throughout the region. The District will need to monitor actions within the communities as well as industrial properties to ensure proper function, and this is being worked through.

Mayor Longo advised that there are many watershed groups being formed, and he appreciates the District’s active approach in this regard. Mayor Longo assumed that the 7-½% of the revenues going back to the communities will be used for projects approved

by the District, and not “somebody putting a drainage ditch in somebody’s backyard that goes nowhere.” Mr. Greenland stated that the District is trying to accomplish this throughout the region in order to eliminate projects that “pipe problems from one location to another” for the reason that this is not consistent with the District’s goals.

Mayor Longo stated that, from a legal standpoint, when the District negotiates with communities that are partially served by the District, there may be the need for a formal adoption of a resolution. Communities that “don’t want to be bothered” create additional obstacles for the District as well. Mayor Longo advised that he will defer to the Law Department to provide advice as to how to deal with these types of situations.

Mayor Longo stated that discussions were held with Cleveland Water regarding billing switching from quarterly billing to monthly billing, and he commented that “hopefully this system that we’re going to put in place will dovetail into that very nicely.”

Executive Director Ciaccia advised that the District has had significant discussion with Cleveland Water regarding their new billing system, which will go-live this year. Executive Director Ciaccia stated that pushing the stormwater program into 2010 will allow the new billing system to stabilize. There will be a placeholder for stormwater on the new bills, therefore, if and when the District adopts the SMP, billing will commence accordingly.

Executive Director Ciaccia advised that Cleveland Water is in a meter replacement program, and are considering switching to automatic meter reading devices which allow for monthly billing; however, Cleveland Water is not ready to implement this at this point. Executive Director Ciaccia advised that in the future the District is desirous of monthly billing as well.

Mayor Longo stated that “because of the nuances” SMP will present the District, are the 44 people going to assist with the “coordination and interplay with the local communities, neighborhoods and watershed.” Mr. Greenland advised that the watershed integrator role requires additional staffing and described this as “a big coordination role across 61 communities.” Mayor Longo inquired if the role includes going to local communities and neighborhoods. Mr. Greenland affirmed.

Ms. Kelly inquired how the District intends to address the public if asked why this is the best time to implement the SMP during the current economic conditions. Mr. Greenland stated that this was an excellent question. Mr. Greenland advised that stormwater problems “have grown over time.” A study conducted in 1978 and another effort in 2002 indicated that regional stormwater problems tripled across the service area resulting in significant cost ramifications. This is “tough economic climate,” but “if not now, when?” The backlog of projects is estimated to cost \$228 million, and

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 27 of 31

next year with inflation that amount will increase. If these problems continue going unchecked, the numbers will only increase. The ability for member communities to absorb these costs is limited as “we face tough economic times.” In order for the District to fulfill its clean water mission, stormwater issues will need to be addressed. “These costs aren’t going away.”

Mr. Greenland advised that the District and member communities incur costs, and although the communities are “doing a nice job” in trying to remedy these issues, they are “beyond-the-border problems.” Mr. Greenland advised that he is unsure whether these issues are being addressed cost-effectively, and stated that we have to stop “moving problems from one area to the next.”

Mr. Greenland advised that “infrastructure is important to this region.” As we revitalize and rebuild this region, infrastructure will be an important factor and “stormwater is a big infrastructure effort.”

Executive Director Ciaccia added that, from a visionary perspective, this region must continue to be competitive during the current situation. Great Lakes cities including Milwaukee and Chicago “are becoming progressively green” and are “shedding their rust belt images.” This region must follow this example for the reason that, when the economy does turn around, people view and consider this area to be an “affordable, green-minded, progressive region.”

Ms. Kelly suggested that the District focus on “really educating people about the benefit versus the cost.” She did not feel that the public is aware or understands the benefit of a SMP. The public views this as another cost in which they cannot afford. However, if there is “good awareness” and “education of the public,” then the “buy-in of this is certainly a lot easier.”

Executive Director Ciaccia agreed and appreciated Ms. Kelly’s comment because it is on point. He advised that the Board will notice during the upcoming budget review that Ms. Haqq’s budget did not “take much of a hit” because of the need to educate the public in this regard.

Mr. Brown thanked the staff for putting together “a very good overview and presentation. The Board’s knowledge of the SMP has greatly increased; however, many questions arose from this discussion. Mr. Brown stated that there is no question as to the need of “single source repository of information who understands the impacts of stormwater in the region.” The issue is being able to provide a needed resource “that really leverages the resources that are in the community in terms of finance and the impacts of stormwater.” Stormwater issues tripled over the past 20 years, which indicates that “you

BOARD OF TRUSTEES

Regular Meeting

February 5, 2009

Page 28 of 31

can pay me now, or you can pay me potentially a lot more later to do what we need to now.”

Mr. Brown stated that discussions included some communities already implementing stormwater programs and infrastructure improvements; however, by doing things in Community X many times exacerbates problems in Community Y. Mr. Brown stated that this can be something simple such as “replacing, removing, enlarging or making smaller the size of culverts” or a bridge span. He advised that the Big Creek Bridge was constructed to have the same bridge span; however, it can be widened when “we fix the ability for the downstream community, which in this instance is Cleveland, to handle the flow. Mr. Brown stated that municipalities, when constructing or improving its local infrastructure, do not always consider the impacts this may have on the entire system.

Mr. Brown referred to discussions held regarding green infrastructure, which he described to be a “huge public education piece for every municipality.” Many communities may have regulations prohibiting disconnected downspouts or impervious driveways which hinder the ability of successfully moving forward with green infrastructure.

Mr. Brown suggested the District uniformly address land use, infrastructure and quality of life issues when developing its model ordinances. This campaign will differ due to the need to modify behavior and habits in this regard. Public education will be a significant component to the success of this program.

Mr. Brown commended staff for the good work done thus far on the SMP, but stressed the importance of informing communities during the third round of discussions of the opportunities of offsetting or mitigating infrastructure costs.

Mayor Starr stated that notices were issued to the member communities, and he suggested that the Board provide the mayors, councilmen or trustees that attended the meeting an opportunity to address any comments to the Board. Mayor Starr advised that Mayor Lyons of Richfield was present.

Mayor Lyons advised that the Northeast Ohio Mayors and Managers Association has been working on issues involving regional coordination and cooperation, and that Phase II includes land use and infrastructure planning and revenue sharing issues. Mayor Lyons indicated that he is desirous of having future discussions with Executive Director Ciaccia and the Board pertaining to the aforementioned issues. Mayor Lyon’s stated that the discussions held “suggests the benefit and need for thinking about regional coordination and cooperation beyond this issue.” Mayor Lyons stated that he “supports the idea,” and that it is consistent with the efforts and initiatives of the Mayors and Managers Association.

Mayor Lyons advised that “ultimately it’s a communication issue with the general population,” and that “we need some leadership on this issue and then help people understand what we’re doing.” Mayor Lyons stated that “as a region, this is the right way to go.”

VI. Consent Agenda

Mr. Brown advised that there was no Consent Agenda.

VII. Action Items

Authorization to Advertise

No discussion ensued on Resolution Nos. 22-09 and 23-09.

**Resolution No. 22-09**

**One (1) year requirement contract for 2,200,000 pounds of Ferric Chloride Solution for use at all District WWTPs. Anticipated expenditure not to exceed \$430,000.00.**

**Resolution No. 23-09**

**Southerly Wastewater Treatment Center Biosolids Handling and Incineration Project – Contract 28F (Site Preparation Project). Engineer’s estimate is \$5,500,000.00.**

**MOTION** – Mayor Longo moved and Ms. Kelly seconded to adopt Resolution Nos. 22-09 and 23-09. Without objection, the motion carried unanimously.

Authorization to Issue Request for Proposals

No discussion ensued on Resolution Nos. 24-09 and 25-09.

**Resolution No. 24-09**

**One (1) year requirement contract for the purchase of forty-three (43) data recording devices, ancillary equipment and services for automated storage and manual retrieval of data from various District remote sites.**

**Resolution No. 25-09**

**Retention of risk management consultant services firm. Anticipated expenditure not to exceed \$50,000.00.**

**MOTION** – Mayor Longo moved and Ms. Kelly seconded to adopt Resolution Nos. 24-09 and 25-09. Without objection, the motion carried unanimously.

Authorization to Enter into Agreement

No discussion ensued on Resolution No. 26-09.

**Resolution No. 26-09**

**Water Pollution Control Loan Fund (WPCLF) loan agreement with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for WPCLF financing of the Southerly Wastewater Treatment Center Biosolids Handling and Incineration Project – Contract 28F.**

**MOTION** – Mayor Longo moved and Ms. Kelly seconded to adopt Resolution No. 26-09. Without objection, the motion carried unanimously.

Authorization to Enter into Contract

No discussion ensued on Resolution Nos. 27-09 through 29-09.

**Resolution No. 27-09**

**One (1) year contract with Precision Analytical, Inc. for laboratory services. Cost not to exceed \$60,000.00.**

**Resolution No. 28-09**

**One (1) year requirement contract with Polydyne, Inc. for 80,000 pounds of Liquid Polymer for use in the sludge dewatering centrifuge process at the Westerly WWTP. Cost is \$228,580.00.**

**Resolution No. 29-09**

**One (1) year requirement contract with PVS Chemical Solutions, Inc. for 170,000 gallons of Liquid Sodium Bisulfite Solution for use at all District WWTPs. Cost is \$205,513.00.**

**MOTION** – Mayor Longo moved and Ms. Kelly seconded to adopt Resolution Nos. 27-09 through 29-09. Without objection, the motion carried unanimously.

Sewer Use Code Matter

No discussion ensued on Resolution No. 30-09.

**Resolution No. 30-09**

**Settlement Agreement with Miles Alloy,  
Inc., NEORSD Case No. 08-004.**

**MOTION** – Mayor Longo moved and Ms. Kelly seconded to adopt Resolution No. 30-09. Without objection, the motion carried unanimously.

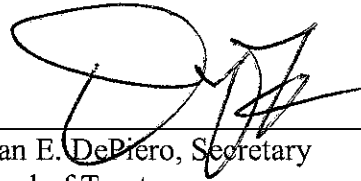
VIII. Open Session (no items for discussion)

IX. Executive Session

Mr. Brown stated that there were no matters for discussion in Executive Session.

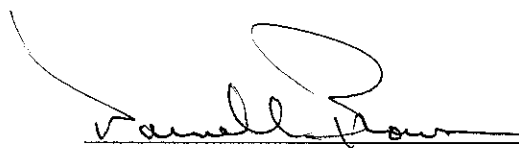
X. Adjournment

**MOTION** – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mr. Sulik moved and Mayor Starr seconded the motion to adjourn at 2:43 p.m. Without objection, the motion carried unanimously.



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Dean E. DePiero, Secretary  
Board of Trustees  
Northeast Ohio Regional Sewer District



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