

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
February 7, 2019

A Regular Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:36 p.m. by Darnell Brown.

I. Roll Call

PRESENT: D. Brown  
R. Sulik  
R. Stefanik  
T. DeGeeter  
J. Ciaccia  
S. Dumas  
J. Bacci

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

II. Approval of Minutes

**MOTION** – Mayor Bacci moved and Mr. Sulik seconded to approve the Minutes of the January 17, 2019 Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

There were no items.

IV. Chief Executive Officer's Report

CEO Dreyfuss-Wells began her report by highlighting the Suburban Council of Governments (SCOG) meeting of January 22, 2019 and the SCOG reappointment of Mayor Stefanik to the "West Side Seat" on the District Board. Also discussed at the SCOG meeting was an overview of the stormwater projects that communities can expect for 2019 and an explanation of the District's affordability programs.

Next, Ms. Dreyfuss-Wells noted that 90 employees were honored for performing activities that exemplify the District's core values during the most recent Quarterly Employee Recognition Awards. She also noted that the common theme this quarter was cooperation and collaboration where teams worked together to get work done.

Closing the report, CEO Dreyfuss-Wells noted that the District has successfully integrated social media into the communication strategy since 2010 to educate, engage, and even entertain customers to help them relate to the District's work. The District's Twitter account managed by

John Gonzalez has been the District's most engaging social media platform with about 1 million impressions in January 2019. Ms. Dreyfuss-Wells talked about the District's Operator/Technician, Josh Jeffi, and Flow Monitoring Tech, Shawn Austin, who hosted the "Sewer Bowl" where they discussed the commonalities with the Super Bowl and the work done by the District, including strategy and running a successful organization, which resulted in 250,000 Twitter impressions. She also mentioned that the Sewer Bowl can be downloaded, and she encouraged everyone to listen to it.

V. Action Items

Authorization to Enter into Agreement

Resolution No. 21-19

Authorization to enter into agreement with the Ohio EPA and the Ohio Water Development Authority to accept WPCLF funding for design costs related to the Pearl & Jennings Road Storage Tanks and Pump Station Upgrades project in an amount up to \$3,617,527.00.

**MOTION** – Mr. Ciaccia moved and Mr. Sulik seconded to adopt Resolution No. 21-19. Without objection, the motion carried unanimously.

Authorization to Enter into Contract

Resolution No. 22-19

Authorization to enter into contract with Nerone & Sons, Inc. for the Stormwater Maintenance Program Eastside Stream Debris and Sediment Removal project in an amount not-to-exceed \$1,860,612.60.

Resolution No. 23-19

Authorization to enter into contract with Monroe Environmental Corp. for the purchase of a wet scrubber system for the Southerly Wastewater Treatment Center Renewable Energy Facility in an amount not-to-exceed \$55,450.00.

Resolution No. 24-19

Authorization to enter into a two-year contract with Ohio Bulk Transfer Co. for sludge cake removal services for the Southerly and Westerly Wastewater Treatment Centers in an amount not-to-exceed \$439,663.28.

Resolution No. 25-19

Authorization to enter into a two-year contract with Ohio Bulk Transfer Co. for grit and screenings removal services from all wastewater treatment plants in an amount not-to-exceed \$1,306,815.30.

Resolution No. 26-19

Authorization to enter into a construction contract with Platform Cement, Inc. for the Shaker Lakes Dam Rehabilitation Phase 1: Green Lake Dam and Lower Shaker Lake Dam project in an amount not-to-exceed \$2,335,700.00.

**MOTION** – Mayor Stefanik moved and Mr. Ciaccia seconded to adopt Resolution Nos. 22-19 through 26-19. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown noted that there was a prevailing wage requirement and inquired as to whether there were any subcontracting opportunities under Resolution No. 22-19.

Janet Popielski, Stormwater Program Manager, explained that the Stormwater Maintenance Program Eastside Stream Debris and Sediment Removal project has been before the Board recently as non-prevailing wage project, but it was determined that some of the work did require the inclusion of prevailing wage requirements, so it was rebid –with the lowest and best bidder being Nerone & Sons. Ms. Popielski noted that Nerone & Sons is a registered Small Business Enterprise (SBE) with the District.

CEO Dreyfuss-Wells added that this is a requirement contract and the District does not typically place Business Opportunity Program goals on requirement contracts because there is no guarantee of the types or amounts of work to be performed.

Next, Mr. Brown requested a brief explanation regarding Resolution No. 25-19 and inquired as to how it was determined that the District received a competitive price.

Frank Foley, Director of Operation & Maintenance, explained that the previous contract was for 17,900 tons at a price of about \$1.26 million and the current contract is for 18,000 tons at about \$1.3 million -- the price per ton is increasing by about 2.8 percent.

Mr. Brown moved the discussion to Resolution No. 26-19, the Shaker Lakes Dam Rehabilitation Phase I: Green Lake Dam and Lower Shaker Lake Dam project and noted that the engineer's estimate was significantly higher than the low bid.

Ms. Popielski agreed that the engineer's estimate on this project was high. It is considered a Class 1 dam which are not frequently repaired or reconstructed in Northeast Ohio, especially historic ones, so there have been issues with getting the engineer's estimate in line with the bids. The bids also came in at a wide range, from \$2.3 to \$4.3 million. Ms. Popielski noted that they are refining

how the project estimate for the future Horseshoe Lake Dam is being developed and will be requiring the consultant to get a third-party review of the engineer's estimate.

Authorization of Contract Modification

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|----------------------|--|
| Resolution No. 27-19 | Authorizing final adjustment modification of Contract No. 18001188 with Kokosing Industrial, Inc. for design-build services for the Southerly Grit Receiving Station project by decreasing the contract amount by \$71,456.48, thereby bringing the total contract amount to \$1,128,543.52. |
| Resolution No. 28-19 | Authorizing final adjustment modification of Contract No. 17004730 with Cold Harbor Building Co. for the Easterly Service and Security Building project by decreasing the Contract amount by \$514,539.35, thereby bringing the total contract amount to \$5,147,360.65.                     |
| Resolution No. 29-19 | Authorizing final adjustment modification of Contract No. 17003251 with Ward and Burke Tunneling, Inc. for the Kingsbury Run Culvert Repair project by decreasing the contract amount by \$149,559.50, thereby bringing the total contract amount to \$9,722,240.50.                         |

**MOTION** – Mr. Sulik moved and Mr. Stefanik seconded to adopt Resolution No. 27-19. Without objection, by roll call vote, the motion carried with all present members voting yes and recusal from discussion and voting abstention by Mr. Ciaccia.

**MOTION** – Ms. Dumas moved and Mayor Bacci seconded to adopt Resolution Nos. 28-19 and 29-19. After the following discussion, without objection, the motion carried unanimously.

Mr. Ciaccia requested an explanation on Resolution No. 28-19 regarding the summary of contract deductions.

Devona Marshall, Director of Engineering and Construction, explained that \$6,520 of the \$4.6M base scope work was not performed under the project, so it was necessary to issue a contract deduction to remove the scope from the project contract. She further explained that the line items associated with the general and specific allowances were for the portion of those funds never authorized under the contract that will be deducted from the contract with the final adjusting change order.

Mr. Ciaccia explained the table layout can be misinterpreted and CEO Dreyfuss-Wells stated that the layout will be reviewed to make it clearer in the future.

Sewer Use Code Matters

Resolution No. 30-19

Authorization to adopt the findings of the Hearing Officer with regard to the sewer account of Mr. Daniel DeJesus, Sewer District Case No. 18-020, that the customer's request be approved to issue a credit adjustment in the amount of \$10,113.27.

**MOTION** – Ms. Dumas moved and Mayor Bacci seconded to adopt Resolution No. 30-19. Without objection, the motion carried unanimously.

Authorization to Grant Credit

Resolution No. 31-19

Authorizing the District to issue a credit adjustment in the amount of \$63,096.64 against outstanding sewer charges on NEORS Account number ending in 70000 for Leefar Real Estate Co. in Parma.

**MOTION** – Mr. Sulik moved and Ms. Dumas seconded to adopt Resolution No. 31-19. Without objection, the motion carried unanimously.

Authorization to Approve Application and Amend Agreements

Resolution No. 32-19

Authorization to approve the application of the Lorain County Board of Commissioners for inclusion within the District of certain additional unincorporated territory of Lorain County located in Columbia Township, pursuant to Section 6119.05 of the Ohio Revised Code; and authorization to enter into a Fourth Amendment to Service Agreement No. 3162 between the District and Lorain County Board of Commissioners to provide for the inclusion of Columbia Township into the District and the Sanitary Service Area; and authorization to enter into a First Amendment of Regional Stormwater Management Program Service Agreement No. 3733 with Columbia Township to add said territory to the Stormwater Service Area.

**MOTION** – Mayor Bacci moved and Mr. Ciaccia seconded to adopt Resolution No. 32-19. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown questioned whether there is a longer-term strategy to include all of the portions of a member community into the District’s territory instead of adding areas on a piecemeal basis.

Matt Scharver, Deputy Director of Watershed Programs, explained that, currently, the Community Discharge Permit Program staff is working with the Northeast Ohio Areawide Coordinating Agency (NOACA) to refine the boundaries of the District’s current territory and sanitary and stormwater service areas to parcel boundaries, which has not been done before. Mr. Scharver further stated that through this process an analysis of those different scenarios is conducted and brought back for a policy discussion, thus developing a policy that will carry forward decisions in the future.

Mr. Scharver also noted that District staff is in communication with the Lorain County Board of Commissioners, working with them on dialogue about bringing entire areas into the District, rather than piecemeal. Also, NOACA is communicating with other communities in and around the District’s service area, looking at proposed prescribed areas in conjunction with the District facilities planning area that NOACA would adopt.

Mr. Scharver referred the Board to a slide depicting the 39 parcels in Columbia Township, the subject of the agreement with Lorain County. He explained that flows go north into Olmsted Township and then over to the Olmsted Falls Connector. He stated that ideally, the areas along Sprague Road – which is the boundary road between Lorain County/Columbia Township and Cuyahoga County/Olmsted Township – would eventually be picked up and hopefully serviced by the District.

Mr. Brown noted the extension of the service area means additional revenue for the District, which is certainly supported by the Board, but he encouraged the District to be strategic moving forward.

#### Authorization of Contract Assignment

Resolution No. 33-19

Authorization for the Assignment of Agreement between the District and ChemWare (District Contract No. 18003429) to Horizon Lab Systems, due to a company name change with all current terms and conditions of the agreement remaining unchanged under the Assignment.

**MOTION** – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution No. 33-19. Without objection, the motion carried unanimously.

Approval of Contract Amendment

Resolution No. 34-19

Approval of an amendment to the employment contract dated January 4, 2018 between Kyle Dreyfuss-Wells and the District to increase Ms. Dreyfuss-Wells' salary by four percent, pursuant to the terms of said employment contract.

**MOTION** – Mr. Sulik moved and Ms. Dumas seconded to adopt Resolution No. 34-19. Without objection, the motion carried unanimously.

Property Related Transaction

Resolution No. 35-19

Authorizing the District to acquire one permanent stormwater easement and two temporary easements located at 28725 Shaker Boulevard, in the City of Pepper Pike, owned by Arthur Solomon, Trustee of the Arthur Solomon Family Trust, and known as part of PPN-871-30-021, necessary for the construction and maintenance of the Pepper Creek Bank Stabilization project, with consideration of \$29,720.00.

Resolution No. 36-19

Authorizing the District to acquire one permanent utility easement, located at 4917 Van Epps Road in the Village of Brooklyn Heights, owned by 4917 Van Epps Road, LLC, and known as part of PPN-531-04-018, necessary for the construction of the Southerly Electrical Infrastructure Improvement project, with consideration of \$3,500.00.

Resolution No. 37-19

Authorizing the District to acquire one permanent stormwater easement located on Harvard Avenue, in the Village of Newburgh Heights, owned by the Cleveland Illuminating Company (A First Energy Company), and known as part of PPN 511-07-048, necessary for the construction and maintenance of the S-75/S-76 Stormwater Outlet Replacement project, with consideration of \$7,100.00.

**MOTION** – Mr. Sulik moved and Mayor Bacchi seconded to adopt Resolution Nos. 35-19 through 37-19. Without objection, the motion carried unanimously.

Authorization to Designate Hearing Officers

Resolution No. 38-19

Authorization to designate Robert Bonnett and to reappoint Doug Lopata as Hearing Officers for appeal of administrative determinations to the Board of Trustees.

**MOTION** – Mayor Bacchi moved and Mr. Ciaccia seconded to adopt Resolution No. 38-19. Without objection, the motion carried unanimously.

VI. Information Items

1. Operations and Maintenance Quarterly Update

Frank Foley, Director of Operation and Maintenance, began his update on safety by presenting a chart to the Board with the total lost workdays and the total restricted workdays for the last several years to compare to 2018. He showed a slide on the days away restricted or transferred (“DART”) rate, which tracks the number of incidents per 100 full-time employees that result in lost or restricted workdays – the District’s goal being a rate of 2.0. The chart also provided rates for different industries for 2017 and demonstrated that the District’s rate came in below the target goal of 2.0 and below all the other industries on the chart.

Next, Mr. Foley discussed effluent quality. Looking first at the total suspended solids in the District’s plant effluents, a chart was presented to the Board demonstrating all three of the plants were well below the limits for total suspended solids.

Similar charts for carbonaceous biochemical oxygen demand (CBOD), phosphorus, and *E. coli* also showed the District is well below the allowable limits.

Next, Mr. Foley summarized the operating results for the all District facilities to show each plant and totals for the year of 2018. Approximately 92 billion gallons of wastewater was treated, and 104 million pounds of total suspended solids, 50 million pounds of CBOD, and 1.4 million pounds of phosphorus were removed.

Mr. Foley moved the discussion to the National Pollutant Discharge Elimination System (NPDES) permits. District facilities had a total of approximately 5,500 individual permit compliance points during 2018, with only one excursion from permit limitations for an overall permit compliance rate of approximately 99.98 percent.

Mr. Foley also noted that the District anticipates receiving later this year 2018 NACWA Peak Performance Awards for Southerly and Westerly in the gold category and at Easterly in the silver category.



Moving to maintenance and dry weather overflow prevention, there were a total of nine dry weather overflows in 2018. A slide was presented to the Board that showed the automated equipment in the collections system and up time of very close to 100 percent during wet weather for this equipment. A third slide provided the number of dry weather overflows for the last three years, demonstrating the District remained in line for the last few years.

Mr. Foley moved to a comparison of preventative maintenance from 2017 to 2018 and explained that things are in line, with the exception of Westerly where things improved in 2018.

Another slide provided the District's budget performance for 2018 with Operation & Maintenance's budget for all the budget centers at approximately \$68.6 million and with an actual result of approximately \$63.5 million in 2018. A slide was presented to the Board that showed the budget performance from year to year, 2016 to 2018 - closing the gap between the budget and the actual expenses during the last three years. Final 2018 operating expenses are expected to be approximately \$5 million less than the budget. For 2019, the budget submitted by the O&M department is relatively flat for non-personnel expenses, with a slight increase in personnel expenses.

Mr. Ciaccia questioned whether this was a case of budgeting too aggressively. Mr. Foley agreed that the budgeting was too aggressive but that this is expected to close in the future. There is no impact on the plants and the accounts with large variances were professional services with several items that didn't get done in 2018 – that money that was budgeted individually year to year. The general professional services budget request is going to be down for next year.

Ms. Dumas noted there is not a big variance from year to year but the way the material was presented in the bar presentation made it look vast. Mr. Ciaccia agreed and noted it's the scaling issue. Mr. Foley understood the Board's concerns regarding the scaling issue and explained that the purpose of the bar presentation was to show the purpose is to close the gap between the District's budget and what is spent.

Mr. Brown questioned whether the dry weather overflows continue to go down as facilities come online. Mr. Foley explained these dry weather overflows are caused by things like blockages in the system. Mr. Brown suggested this is something mechanical in the system that can be causing it and noted much time and effort is spent on preventative maintenance – suggesting that some of these things are being caught before they become a problem in the system.

Next, Mr. Foley discussed potential issues impacting morale within O&M – including the Local 2798 Union contract which has not been resolved and is pending the results of the fact finder. Mr. Foley noted that the Operational Readiness Implementation is all about change and sometimes after you have been doing things a certain way for a while change can be difficult. O&M staff is also trying to improve the use of technology. For example, O&M staff is now submitting leave requests electronically rather than using paper forms and utilizing more computer-based training, like the ethics training currently being led by the HR department. Mr. Foley introduced Doug

Reichlin, Program Manager, to speak about Operational Readiness Implementation and the proposed changes that will be taking place.

Mr. Reichlin explained that this is the third installment in the Renewable Energy Facility (“REF”) evaluation and highlighted opportunities to bring additional sludge into the REF facility, both from Westerly as well as the idea of opening up for a merchant facility. Sludge production is off by 28 percent from the original anticipated design projections – running both fluid incinerators at roughly 60 percent. Mr. Reichlin explained that Westerly is producing a little under 14 dry tons a day. The District centrifuges that to about 35 percent total solids, which goes through two multiple hearth incinerators (MHI) operating at 30 percent capacity. MHI’s require higher natural gas usage than fluidized bed incinerators (FBI) at the REF facilities. There is a possibility to stop the incineration at Westerly and move those biosolids up to the REF facility.

Mr. Ciaccia was concerned whether the 30 percent capacity was too low and questioned whether it is more expensive to haul through trucking over to Southerly than to continuing to operate this facility. Mr. Reichlin explained that trucking was part of the evaluation being presented today. Hauling to landfill was explored but it is more beneficial to burn because the facilities are up and running and fully functional for the next three to five years. The rates for hauling went up substantially – it would be better to burn at Westerly than to haul to the landfill. Mr. Reichlin noted there are a couple of options to explore –pump the solids from Westerly to the Southerly facility, or truck them to Southerly, but would have to build a receiving station to then get them into the incinerator. They could also build a facility to receive at Southerly, and if it was robust enough, it could take dewatered solids from other locations.

With the first option of pumping the sludge to Southerly, the District saves money in capital because there is essentially an offset of 20 years of continually rehabbing those incinerators around every five years, with a combined capital and operating savings of a net of about \$600,000 a year. With the second option of hauling to Southerly, the District’s current bid rate would save about a half a million dollars a year. Both of these options are very similar and competitive with each other. The third option is combining the hauling of Westerly sludge with opening Southerly as a merchant facility to accept biosolids from surrounding municipalities. At the low end the District would be netting around \$100,000 off a \$700,000 revenue, while at the high end the District could net around \$900,000 off a revenue of \$1,700,000. Mr. Reichlin noted that economics favors sending the Westerly biosolids to Southerly – the question is, whether to pump or haul. Mr. Reichlin explained that additional analysis on the risks and other potential impacts need to be done if the District decides to pursue a merchant facility. A District-wide biosolids study will be done and presented to the Board during the next meeting and staff will take a harder look at these options for those capital costs to pump or to receive and look at the potential impacts closer.

Mr. Ciaccia questioned whether there were any opportunities beyond wastewater biosolids. Mr. Reichlin explained that he contacted Quasar and noted Quasar has all kinds of exotic materials- a variety of high strength wastes in semi-liquid form. Mr. Reichlin explained that Quasar is interested in a public-private partnership and would like to come in and build the receiving facilities and essentially control the flow of traffic and the material into the plant while the District would still operate the incinerators. The issue is whether it would be more positive for the District

to go out on its own or be in a public-private partnership. It was noted that other companies might be interested as well.

The Board noted that an evaluation can be done against a public-private partnership to evaluate if the District should operate on its own – a competitive bid process would be followed. Mr. Reichlin noted that this would have to go through an RFP process with qualifications being considered.

Ms. Dumas questioned whether this could be presented to the Board as part of this study and present the Board with the reductions in capital as well as what would the market be regarding attracting other business.

Mr. Reichlin explained he has a breakdown of the preliminary numbers of the categories of cost which go up and down. Mr. Reichlin noted there is a potential for a good market – attracting 40 dry tons of material a day. If the District starts on its own, at the low end it is probably not that attractive, but at the high end it is maybe more attractive for the District.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)


There were no items.


IX. Executive Session

There were no items

X. Adjournment

**MOTION** – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Mr. Sulik seconded the motion to adjourn at 1:34 p.m. Without objection, the motion carried unanimously.

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

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