

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
MARCH 18, 2021

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

President Brown opened the meeting by addressing the COVID-19 pandemic, and read the following statement:

Due to the COVID emergency, we are again conducting our board meeting via live stream video conference using the Zoom Video Communications tool and pursuant to continuing authority of House Bill 404.

Members of the public may observe and hear the meeting using the Zoom login link found on the top of the District website, and those who wished to address the Board were able to make that request through the Zoom system prior to the start of the meeting.

I. Roll Call

PRESENT: Darnell Brown
Ronald Sulik
Samuel Alai
Jack Bacci
Timothy DeGeeter
Sharon Dumas
Terence Joyce

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

II. Approval of Minutes

MOTION – Mayor Bacci moved, and Ms. Dumas seconded to approve the Minutes of the March 4, 2021, Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

Maria Miceli, of Miceli Dairy, requested to address the Board in follow-up to communications that were recently sent to the Board, and provided the following statement:

“Thank you for the opportunity to speak today. My name is Maria Miceli and I'm a third-generation owner of Miceli Dairy Products Company. We have a manufacturing plant at 2721 East 90th Street in Cleveland that discharges wastewater to the Sewer District's Easterly Wastewater Treatment Plant.

Miceli's is a family-owned small business enterprise that is a leading producer of fine Italian cheeses, especially ricotta, sold primarily through the Midwest. We're proud to have been at our present location in the city of Cleveland for over 70 years. Miceli's as a company is heavily involved in the Cleveland community. We hire local area employees and support countless organizations such as the Cleveland Food Bank. In fact, we spent the majority of 2021 or 2020 assisting the community by producing USDA Farmer's to Families food boxes to those that are in need.

My father, John Miceli, has previously spoken to the board on our plant's wastewater discharges and the excessive sewer use fees we incurred from 2017 through late 2019. We greatly appreciate the Sewer District's past assistance and the board's past approval of rebates regarding these excessive fees. However, these actions did not resolve the underlying unfairness and adverse economic impact that we believe the current Sewer District's rate structure has on small business enterprises that are industrial facilities with wastewater intensive operations. Therefore, the purpose of my comments today is to highlight the significant concerns that we and many other SBEs with wastewater intensive operations have. The negative impact of the potential fee increases in the 2022 through 2026 rate schedule could have on our business is substantial. Our detailed comments and requests for action are provided in a letter prepared on our behalf by Labyrinth Management Group which we understand was included in your briefing material.

During the past year, difficult COVID-19 challenges, Miceli's and other SBEs have incurred a vast array of new and unexpected costs as well as changing to our manufacturing operations. So, we're proud to have been able to maintain our local employment at nearly 200 people with more than 35 percent of these employees living in the certified U.S. Small Business Administration HUBZone Staff where our plant is located.

Miceli's is also well positioned for future growth in the fine cheese and related food manufacturing sector to benefit both Cleveland and the Northeast Ohio region. However, we believe this future growth will hinge at least partially on what the Sewer District's upcoming schedule contains regarding the size and nature in the increase and volumetric wastewater rate and surcharges for industrial facilities.

Miceli's believes the Sewer District is at an important tipping point with the rate schedule's timing for 2022 through 2026. The Sewer District either can continue to be an important engine and partner in the Northeast Ohio region and continue economic revitalization or become a financial wade that works against many small businesses ready to start, grow, and succeed in the region. This is especially true for small businesses with wastewater intensive operations such as food manufactures like Miceli's.

From January 1, 2017 through 2021, the Sewer District will have increased industrial facilities' volumetric rates a total of approximately 25 percent and individual pollutant surcharge rates were 100 percent. These huge sewer rate increases prove to be an economic burden to Miceli's. It puts us at a large competitive disadvantage because we cannot compete with companies on a national level who are not faced with these exorbitant sewer rates. We believe independent analysts would agree that these past sewer rate increases have left the Sewer District with a solid fiscal foundation and help ensure that the Project Clean Lake efforts succeed as an important asset to a better future for Northeast Ohio.

Moving forward, we believe the Sewer District's wastewater rate schedule must better reflect more reasonable and justifiable capital and operating costs. These costs would be supported technical and fair to all users. We believe other small businesses with wastewater intensive operations cannot carry the financial burden of future multiple percent increases in wastewater rates every year. Increasing future industrial facility volumetric rates and surcharges for wastewater that the Sewer District's operations is already signed and equipped to treat is not fair and equitable.

These types of actions will lead to small businesses and larger companies seeking out ways to reduce wastewater discharge or in the extreme case, to relocate wastewater intensive operations outside of the Sewer District. As a result, the numbers of industrial facilities and wastewater volumes used to support the Sewer District's revenues will continue to decline. Spreading the Sewer District's increasing cost over fewer and fewer users. Ultimately, this type of declining revenue and increasing cost spiral will only negatively impact both the Sewer District and the entire Northeast Ohio region.

In closing, Miceli's asks the board to undertake oversight actions to ensure the Sewer District's operations are efficient and the upcoming industrial facility rate schedule for 2022 through 2026 is fair and equitable. Without a disproportionate adverse impact on small businesses with wastewater intensive operation. This includes specifically exploring the establishment of an SBE industrial facility affordability program in some form within Northeast Ohio Regional Sewer District existing title 1 sewer code chapter 6 industrial sewerage service rate. If these actions do not occur, we believe the Sewer District will put Cleveland and the Northeast Ohio region at a competitive disadvantage for businesses, especially small businesses with wastewater intensive operations.

We as a family have supported Cleveland throughout the history of our business here. We ask that you help us to continue to support this community for years to come.

Thank you, again, for all your time and I will be glad to answer any questions from the Board.”

President Brown thanked Ms. Miceli for her comments and noted that they paralleled the communications sent by Miceli Dairy to the Board Members in recent days. President Brown added that Miceli Dairy has been a staple of the community for many years and expressed the Board's appreciation for their contributions to the community.

President Brown recalled a similar discussion that the Board previously had with Ms. Miceli's father, noting that as a result, the District performed its due diligence and adjusted Miceli Dairy's rate structure accounting for varying levels of discharge during certain hours of operation, which resulted in a significant cost reduction of Miceli Dairy's industrial bill.

President Brown added that the District will have a number of issues to consider in working through the rate structure for the next five years. There will be a thorough evaluation as to the cost of service required to bring industrial discharges into compliance for proper treatment and disposal. Ms. Dreyfuss-Wells and the District staff are aware of and sensitive to Miceli Dairy's concerns. The District is performing the rate study with a focus on affordability as it pertains to small businesses and HUBZone companies, as well as residential accounts. President Brown is committed to performing due diligence to provide a proper response in terms of how the District is able to affect that portion of the rate structure in a positive way.

Ms. Dreyfuss-Wells invited Frank Greenland, Director of Watershed Programs, to address Ms. Miceli's concerns.

Mr. Greenland expressed his appreciation to Ms. Miceli for her comments and added that as President Brown noted, the District has previously worked through issues with Miceli Dairy. The District is evaluating the information that was provided by Miceli Dairy and has provided it to the rate consultant for consideration. The District has not yet had a detailed discussion with the Board regarding the proposed industrial rate structure, as that will occur in April and the District will meet with Miceli Dairy after discussions with the Board. The purpose of the District's rate study is to achieve fairness, equity, and proportionality.

Ms. Dumas offered her appreciation for the level of detail of the information provided by Miceli Dairy and added that she would like to find a permanent solution to the concerns of Miceli Dairy and similarly positioned small businesses. Ms. Dumas added that she would be interested in exploring the possibility of a small business enterprise (SBE) affordability program that might have longevity, in light of the negative impacts of the pandemic on small businesses in the service area.

President Brown agreed with Ms. Dumas and added that the District's rate consultant should consider the possibility of an affordability program for SBEs and whether there is an opportunity for increased fairness and equitability, while addressing the need for an appropriate fee for industrial discharge.

Mayor Alai offered his support for a possible affordability program and added that he was in the audience when Mr. Miceli addressed the Board on behalf of Miceli Dairy and while the Board responded appropriately, he would also like to see a permanent solution.

President Brown advised Ms. Miceli that the District is committed to working with her team and others that are similarly situated throughout the process of evaluating rate structures and cost assessments. President Brown thanked Ms. Miceli for her time and consideration in expressing her concern and the needs in the community.

IV. Chief Executive Officer's Report

Kyle Dreyfuss-Wells, Chief Executive Officer, provided an update regarding the District's ongoing COVID-19 pandemic response. Ms. Dreyfuss-Wells informed the Board that as of March 18, 2021, the District staff has three active COVID-19 cases, of whom one has recovered and is in the return-to-work process, and two are convalescing. There are no symptomatic employees awaiting test results. The District wishes them a full and speedy recovery. There has been a total of seventy-nine employees with confirmed diagnoses since the beginning of the pandemic, with seventy-six having recovered and returned to work. There is currently one District employee who is not experiencing COVID-like symptoms remaining at home because a member of their household has tested positive for COVID-19.

On March 11, 2021, President Biden signed a \$1.9 trillion stimulus package, the American Rescue Plan Act. Contained within the plan is \$500 million for the low-income water assistance program which, when added to the \$638 million funded in December, brings the current total to over \$1 billion in customer assistance, which is available through September 2021, and is administered by the Department of Health and Human Services (HHS). The funding and criteria for state and local administrations has not been released, meaning that none of the more than \$1 billion has been made available to customers. The District and the National Association of Clean Water Agencies (NACWA) are concerned about this issue. Based on the recommendations of the Water Affordability Task Force which is co-chaired by Ms. Dreyfuss-Wells, NACWA issued a letter to HHS on March 9 urging quick and efficient distribution of this funding. The Task Force has developed an Affordable Water, Resilient Communities Campaign and has urged the HHS to work with the EPA to distribute the funds.

There are two other components of the Bill that provide for customer assistance; \$10 billion has been made available in homeowner assistance which will be available through 2025, as well as \$21.5 billion that was added to the existing \$25 billion in renter assistance, which was funded in December 2020. The District will continue working with CHN Housing Partners to ensure that customers receive the needed resources.

There is also \$350 billion contained in the stimulus package which is available to state and local governments. It appears that \$11.2 billion will be available to Ohio through 2025 and can be used for COVID-19 expenses, lost revenue because of the pandemic, and water, sewer, and broadband infrastructure. The Department of Treasury is developing rules for the implementation of the funding and limited guidance is available. Regional districts, including NEORSD, are not eligible for this funding just as they were not eligible for CARES Act funding. The District is focused on working with its member communities to assist them should they choose to use their funding for water or sewer infrastructure.

The Ohio Senate Finance Committee is considering Senate Bill 110 which would appropriate additional emergency rental assistance funds under the existing home relief grant to the State Development Services Agency and would include funds for utility payments. The previous home relief grants through the CARES Act, as well as funding from the City of Cleveland and Cuyahoga County, previously provided financial relief to 900 District customers. The District provided testimony in support of S.B. 110 this week.

President Brown noted that while it is a good thing that these resources are being made available, it is important that the District has networks and procedures in place to ensure that it does not find itself faced with performance or capacity challenges to manage these programs and that accounts are being managed effectively and accurately. Ms. Dreyfuss-Wells agreed and noted that Constance Haqq, Chief Administrative Officer, and Ken Duplay, Chief Financial Officer, and their respective teams are working closely with the CHN Housing Partners to get this assistance to the customers who need it.

Ms. Dreyfuss-Wells acknowledged District Maintenance Services staff who, in advance of the slow and gradual reconstitution of District facilities, have been preparing the buildings for employees to return to work onsite. Ms. Dreyfuss-Wells provided photographs of various projects being performed.

Ms. Dreyfuss-Wells then provided an update regarding Project Clean Lake, informing the Board that on March 16, U.S. District Judge Nugent approved and signed the modification of the Consent Decree, memorializing the changes to the Southerly and Westerly Wastewater Treatment Plants and across the collection system for \$90 million savings in construction as well as additional savings in operation and maintenance costs while delivering the same level of public health and water quality benefits. The District continues its discussions with the EPA as it relates to the Easterly Plant's modifications. Ms. Dreyfuss-Wells expressed her appreciation to staff across the District for their hard work implementing Project Clean Lake.

Ms. Dreyfuss-Wells invited Ms. Haqq to provide an update regarding the District's racial justice dialog.

Ms. Haqq advised the Board that the District held its third racial justice dialog on February 24, on the topic of policing and the relationship between policing and the African American community. The discussion included the history and nature of the relationship between the police and the community, as well as the science behind implicit bias and remedies to improve the relationship. The panelists for the discussion have been working as a team with law enforcement and community organizations nationwide. There were 100 District employees who participated in the dialog and were invited to complete a survey to provide feedback afterward. In their responses, 100% either agreed or strongly agreed that the District should be discussing the topic, 98% said that they learned something new about racial justice, 80% said that they heard a new perspective on policing, 90% identified an issue that they wish to learn more about or an action they wish to take, and 99% said that they wish to continue participating in these dialogues.

The breakout sessions were co-facilitated by the African American Professional Employees Resource Group and the dialogue was posted on the District's Intranet so that employees who were not able to participate on that date may still view the discussion. The next session will be held in June. Ms. Haqq thanked the African American Professionals Network Employees Resource Group for their assistance.

Mr. Joyce asked if the District is tracking employee COVID-19 vaccinations or if there is a self-reporting mechanism in place. Ms. Dreyfuss-Wells explained that while vaccination is not required of District staff, it is strongly encouraged. The District has made vaccination educational information available to staff, including making doctors available to discuss the issues virtually. Additionally, there is COVID-19 vaccine leave available to employees if they need to be vaccinated during the workday or are unable to work following vaccination due to side effects. The only instance in which employees are required to self-report is if they take advantage of their vaccination leave time, in which instance Human Resources requires documentation. Employees are also able to voluntarily report their COVID-19 vaccines.

V. Action Items

Authorization to Issue Request for Proposal (RFP)

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| Resolution No. 82-21 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for janitorial services at the George J. McMonagle Building (GJM), the Environmental and Maintenance Services Center (EMSC) and Fleet Services, including COVID-19 disinfection services, for a two-year term. |
| Resolution No. 83-21 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for a Support Services for Controls II (SSC2) professional services agreement for task-order based supplemental technical resources for the Process Control and Automation (PC&A) Department. |
| Resolution No. 84-21 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 153, for design and construction administration/resident project representation services for the Hemlock Creek Bank Stabilization in Seven Hills Phase 1 project. |
| Resolution No. 85-21 | Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for professional services and equipment necessary to upgrade and maintain end-of-support Cisco hardware on the District's business network under the Network Infrastructure Upgrade (NIU) project. |

MOTION – Mayor Alai moved, and Mr. Joyce seconded to adopt Resolution Nos. 82-21 through 85-21. Without objection, the motion carried unanimously.

Authorization to Purchase

Resolution No. 86-21 Authorization to purchase Dell Compellent Storage Area Network (SAN) maintenance and support services for the George J. McMonagle (GJM) Dell Compellent SAN and the Environmental and Maintenance Services Center (EMSC) Dell Compellent SAN from Cambridge Computer Services, Inc. under the State of Ohio Cooperative Purchasing Program, for the period of March 31, 2021 to March 31, 2022, in an amount not-to-exceed \$75,964.88.

MOTION – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution No. 86-21. Without objection, the motion carried unanimously.

Authorization to Enter Into Agreement

Resolution No. 87-21 Authorization to enter into a reimbursement agreement with the City of Cleveland for the District to replace and lower a City-owned water main while performing the District's Chippewa Creek Bank Stabilization State Route 21 Brecksville project in an initial amount of \$330,000.00 to be reimbursed by the City.

Resolution No. 88-21 Authorization to enter into a loan agreement with the Ohio EPA and the Ohio Water Development Authority to accept WPCLF funding for construction costs related to the Southerly Building Demolition project for a total amount up to \$17,243,400.00.

Resolution No. 89-21 Authorization to enter into a professional services agreement with Kurtz Bros., Inc. for the Biosolids Incinerator Ash Management Program, for a three-year term with an option to renew the agreement for an additional two-year term, in an amount not-to-exceed \$3,034,150.00, and for Kurtz Bros., Inc. to pay the District a royalty rate of \$1.75 per ton for every ton of ash recycled under the agreement, with an option to adjust the royalty rate on an annual basis to be exercised by the CEO at her discretion.

MOTION – Mr. Sulik moved, and Mayor Alai seconded to adopt Resolution No. 87-21. Without objection, by roll call vote, the motion carried with all present members voting yes and recusal from discussion and abstention from voting by Mr. Brown and Ms. Dumas.

MOTION – Mayor Bacci moved, and Mr. Joyce seconded to adopt Resolution Nos. 88-21 through 89-21. After the following discussion, without objection, the motion carried unanimously.

President Brown asked, regarding Resolution No. 88-21, for an explanation regarding the engineer's estimate for the project. Devona Marshall, Director of Engineering and Construction, explained that the engineer's estimate for this project was \$19,800,000 and of the five bids received for the project, the lowest was \$17,243,400. The District continues to see a competitive market regarding construction contracts.

Regarding Resolution No. 89-21, President Brown asked for additional information regarding the royalty rate and the reuse of the product. Frank Foley, Director of Operation and Maintenance, explained that the District has just completed its first contract with Kurtz Bros., Inc. for the Biosolids Incinerator Ash Management Program. The District issued a Request for Proposals (RFP) and three contractors attended the mandatory pre-proposal meeting. Kurtz was the only contractor who supplied a proposal within deadline. As for the royalty rate, during the first contract, the rate was \$1.00 per ton of ash beneficially reduced for the first year, which increased to \$1.60 for years two and three of the contract. Under the new contract, the royalty rate will start at \$1.75 per every ton that is beneficially reduced. Mr. Foley noted that this program is less expensive and more environmentally friendly than to send the ash to landfill.

Authorization to Enter Into Contract

Resolution No. 90-21 Authorization to enter into one-year requirement contracts for Grounds Maintenance Services at District facilities with Henderson Contracting Company, LLC in an amount not-to-exceed \$73,984.12 for Bid Groups 1 and 5; with BGB Ground Maintenance, LLC in an amount not-to-exceed \$38,223.00 for Bid Groups 2 and 3; and with Robin's Nest Landscaping in an amount not-to-exceed \$29,249.57 for Bid Group 4, for a total amount not-to-exceed \$141,456.69 for all bid groups.

Resolution No. 91-21 Authorization to enter into a two-year requirement contract with T&T Demolition & Recycling for demolition of structures acquired under the Regional Stormwater Management Program (RSMP) and necessary for water resource projects along the Regional Stormwater System, in a total amount not-to-exceed \$408,875.00.

MOTION – Mayor Alai moved, and Ms. Dumas seconded to adopt Resolution Nos. 90-21 through 91-21. After the following discussion, without objection, the motion carried unanimously.

President Brown noted, regarding Resolution No. 90-21, that there is a discussion about this issue annually due to how the bids are submitted and asked for an explanation regarding 330 William Landscaping in Group 2. Mr. Foley explained that in that bid group, the District is recommending that the contract be awarded to the second lowest bidder, as 330 Williams Landscaping, LLC was unable to provide documentation of certifications for applying pesticides.

Authorization to Amend Agreement

Resolution No. 92-21 Authorization to amend professional services agreements for additional leadership coaching services with Pinnacle Leadership Solutions (Agreement No. 18006896), Synergy Marketing Strategy & Research, Inc. (Agreement No. 18006869), and Yan Maschke Group (Agreement No. 18006895) in a total additional amount not-to-exceed \$48,000.00 for all agreements combined, for total amended amount not-to-exceed \$84,000.00 for all agreements combined.

Resolution No. 93-21 Authorization to amend the professional services agreement (Purchase Order No. 20005284) with Cleveland Masters of Disasters for as-needed COVID-19 cleaning and disinfection services to add an additional amount of \$50,000.00, for a revised total agreement amount not-to-exceed \$150,000.00.

Resolution No. 94-21 Authorization to amend design-build Agreement No. 20005102 with Building Control Integrators, LLC for the District Wide HVAC Building Automation Systems Upgrades project to incorporate a guaranteed maximum price of \$1,974,235.20 necessary for the construction portion of the project, thereby bringing the total agreement amount not-to-exceed \$2,447,444.20.

MOTION – Mr. Sulik moved, and Mr. Joyce seconded to adopt Resolution Nos. 92-21 through 94-21. Without objection, the motion carried unanimously.

Authorization to Amend Resolution

Resolution No. 95-21 Authorization to amend Resolution No. 183-20 to approve the District’s Operating and Capital Budgets for the fiscal year ending December 31, 2021, as presented.

MOTION – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 95-21. After the following discussion, without objection, the motion carried unanimously.

Ms. Dumas provided a summary of the Finance Committee Meeting held on March 11, 2021. Ms. Dumas, Mr. Joyce, and President Brown were in attendance. The presentations included the 2021 budget review, the 10-year financial plan update, and information regarding budget transfers. There was discussion regarding the ongoing rate study and the Board will be reviewing suggested rates for the next five-year rate period shortly. Sewer revenue for 2021 remains conservative at \$344 million as last year’s revenue was \$350 million. As it is not possible to project recovery, the Finance Committee is comfortable with the conservative estimate.

Ms. Dumas further advised that Mr. Duplay indicated that the District will be foregoing certifications for delinquent accounts until September, in order to provide customers with additional time to recover financially from the pandemic. The Sewer expenses in fiscal year 2020 were \$125.3 million and the projection for 2021 is \$143.9 million. There were sixty open positions at the end of fiscal year 2020, which will be budgeted as essential in the 2021 budget. Sixteen positions have been deemed non-essential and eliminated from operations.

There is a projected increase in both property and cyber insurance premiums. There was discussion amongst the Committee Members regarding the need for construction and revenue estimates to be as refined as possible, as this drives rates.

Ms. Dumas offered kudos for the presentation, debt service coverage, and projections for leading ratios. The Finance Committee recommends that the Board approve the 2021 budget as submitted.

Property Related Transaction

Resolution No. 96-21 Authorization to acquire one permanent 0.0092 acre stormwater easement and one temporary 0.0576 acre easement at the property known as PPN 581-08-098, located at 8223 Twin Oaks Drive, in the City of Broadview Heights, owned by Nicholas F. and Kelly Hein, necessary for the construction of the Chippewa Creek Flood Reduction Project Near Echo Lane with total consideration of \$6,300.00.

MOTION – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 96-21. Without objection, the motion carried unanimously.

Sewer Use Code Matters

Resolution No. 97-21 Adopting the findings of the Hearing Officer with regard to the sewer account of Hi-Yield RentalsXXX, LLC, Sewer District Hearing No. 21-001, that the customer’s request be denied.

MOTION – Mr. Sulik moved, and Mayor Alai seconded to adopt Resolution No. 97-21. Without objection, the motion carried unanimously.

Authorization to Implement

Resolution No. 98-21 Authorization to implement the 2022 Member Community Infrastructure Program (MCIP) and to issue a Request for Proposals for project applicants.

MOTION – Mayor Bacci moved, and Mr. Joyce seconded to adopt Resolution No. 98-21. Without objection, the motion carried unanimously.

VI. Information Items

Ms. Marshall provided the Capital Improvement Project monthly update for February 2021.

Regarding cashflow, February ended at 65% of planned, down from January which closed at 77% of planned. This is primarily due to invoices being submitted late. Had they been timely, the month would have closed at 75% to 77% of planned. It is not unusual to experience a slower start such as this in the colder winter months. The total amount of funds paid out was \$8.5 million in February and \$17.7 million total year-to-date.

As for Key Performance Indicators (KPIs), the contract was awarded for the Southerly Building Demolition Project within 60 days of planned, meeting that KPI. The KPI for engineer's estimate was not met, as the average of the three lowest bids was 11% below the \$19.8 million estimate.

Substantial completion was achieved on the CSO Outfall Repairs and Improvement Project within 90 days of planned, meeting the KPI.

The construction contract for the Easterly Bar Screen Conveyer Belt Project was closed within 95% of the original contract amount, meeting that KPI, as well as the Business Opportunity Program (BOP) goals which were set at 5% WBE/SBE and the projected actuals were 10%. As for work orders by change categories as the percent of construction for the project, there were two work orders for 2.54% of the total contract amount at \$54,000, one of which was under the category of differing or unforeseen site conditions and the other was categorized as owner requested changes.

Ms. Marshall invited Robin Rupe, Project Manager, to provide an update regarding the Automation Program Management (APM).

Ms. Rupe advised that at the onset of the program, she attempted to establish the foundation for the APM and evaluated installing software, hardware, and fiber in which data is transmitted, to provide a stable base that could be built upon with standards being developed and ultimately, with programmable logic controllers (PLC) being implemented. The PLCs are the computers used to operate the wastewater treatment plants (WWTP) and tell equipment when to turn on and off and other such functions.

There are two key programs that came from APM Phase 1, the first being the development of the Process Data Management System. Previously, the District used its Operational Data Management System, which linked several different software programs and is used to generate reporting internally and for the EPA. The platform was built upon and a level of sophistication was added for senior staff and others that do not have access to the controls network to be able to access information such as plant flows and rainfall data.

The second major component was the Westerly PLC Replacement. The decision was made to test all of the items developed under the first phase at Westerly and to assess functionality before moving on to other locations. Ms. Rupe provided photographs of the former PLCs and wiring configurations at Westerly, demonstrating the challenges of the project. There were significant efforts to develop documentation of the systems, and controls were implemented to track updates and provide accurate documentation of the systems in District facilities to be maintained by District staff moving forward.

After completion of Phase 1, it was determined that Phase 2 would be comprised of four separate projects: design-build or design-bid-build projects for the Easterly WWTP, Southerly WWTP, EMSC, and the collections systems.

Ms. Rupe proved a graphic demonstrating the Easterly and Southerly Fiber Replacement Project, which has fiber going to EMSC as well. The network upgrades will provide the ability to transmit data through longer stretches as well as provide longevity for the information to move forward.

The Easterly PLC Replacement Project is 60% complete in the design phase. District staff is applying lessons learned from the Westerly PLC Replacement to each of these projects, increasing efficiencies. District staff is assisting with calibration and tagging of instruments, rather than relying on contractors as was done at the Westerly WWTP. The project is on schedule and within budget, however, the estimated construction budget has increased. The facility has actuators that control the way in which data is communicated that are not functioning properly. The project requires the consultants to identify each of those data points and provide a recommendation for modifications which will result in increased construction costs. The project will be presented to the Board for approval to advertise for construction in late 2021.

The Southerly WWTC Project is moving into 30% design phase and likely will also have an increased construction cost estimate due to the same data communication problems that exist at the Easterly WWTP. The project will likely be presented to the Board for approval to advertise for construction next year.

Regarding Collection System upgrades, the team is developing the basis of design and outlining the plan on which design will be implemented. The project is on schedule and it is anticipated to have a lower construction cost than previously estimated. When the collection sites experience outages, there is frequently data lost. The District is looking for ways to gather and store information to be restored once the sites come back online. The City of Cincinnati has such implements in place and the District has had multiple discussions with them to gain insight for this project. It is anticipated that it will be presented to the Board for approval to advertise for construction late 2022.

In summary, the APM projects are on schedule. The design-build fiber project is at 50% completed construction and the designs for the PLC Replacement Projects at Easterly WWTP, Southerly WWTP, and the collection system are underway.

Open Session

There were no items.

VII. Public Session (any subject matter)

There were no items.

VIII. Executive Session

Mayor Bacci, pursuant to Ohio Revised Code Section 121.22(G)4, moved and Mayor Alai seconded to enter executive session to review negotiations and bargaining sessions with District employees concerning their compensation and other terms and conditions of employment. By roll call vote, the Board voted unanimously and entered into executive session at 1:43 p.m., then returned to open session.

IX. Approval of Items from Executive Session


Resolution No. 99-21

Adopting and accepting the Fact-Finding Report of Michael King, in the matter between Northeast Ohio Regional Sewer District and Ohio Council 8, American Federation of State, County and Municipal Employees, AFL-CIO, Local 2798, SERB Case No. 2020-MED-08-0822; and further authorizing a collective bargaining agreement incorporating the said Fact-Finding Report, including distribution of the year one, one percent (1%) bonus as a one-time lump sum bonus of seven hundred dollars (\$700.00), as agreed to by the parties, and further incorporating the tentative agreements reached in negotiations with Local 2798, all as presented.

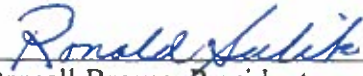
MOTION – Mayor Bacci moved, and Mr. Joyce seconded to adopt Resolution No. 99-21. Without objection, the motion carried unanimously.

X. Adjournment

MOTION – President Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved, and Ms. Dumas seconded the motion to adjourn at 2:16 p.m. Without objection, the motion carried unanimously.



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



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