

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
APRIL 4, 2013

Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:34 p.m. by Darnell Brown.

I. Roll Call

PRESENT: D. Brown  
R. Sulik  
J. Bacci  
T. DeGeeter  
S. Kelly  
W. O'Malley

ABSENT: G. Starr

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

II. Approval of Minutes

**MOTION** – Mayor Bacci moved and Mr. O'Malley seconded that the minutes of the March 21, 2013 Board meeting be approved. Without objection, the motion carried unanimously.

III. Public Session

Executive Director Ciaccia informed the Board that no members from the public registered to speak at Public Session.

IV. Executive Director's Report

Executive Director Ciaccia moved to the first report item regarding the emergency stormwater project on Warner Road. There is significant erosion at this location which has impaired the roadway. The District obtained five quotes from contractors to address this problem. The lowest quote was submitted by Chieftain Trucking and Excavating in the amount of \$378,070.00. The District will move forward with the emergency contract and has already obtained the necessary permits. Once the project is complete, the District will bring a resolution to the Board to ratify the final project cost.

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Executive Director Ciaccia moved to the next report item and advised that he recently attended a Northeast Ohio Areawide Coordinating Agency (hereinafter "NOACA") meeting. NOACA's new executive director, Grace Gallucci, convened a meeting which included representatives from many surrounding sewer systems. Executive Director Ciaccia indicated that it was a very good meeting which attempted to increase coordination amongst the surrounding sewer agencies.

Executive Director Ciaccia advised that the District had a good meeting with the Mayor of Lorain and his staff. He explained that Lorain has a very antiquated sewage plant that is located on the mouth of the Black River on Lake Erie, which is considered to be prime development. Lorain is considering replacing its sewage plant and has engaged discussions with the other Lorain County communities that operate sewer plants needing investment. Those agencies are in the process of identifying ways in which they can accomplish replacing older facilities and possibly creating a regional authority similar to that of the District.

Executive Director Ciaccia advised that at the NOACA meeting, it was inquired if the District's Southerly plant could handle the waste from Lorain. Executive Director Ciaccia advised that it was determined to be feasible to accept the waste from Lorain as well as the surrounding Lorain County communities. The District compiled a cost analysis report and forwarded it to Lorain officials so they may conduct a comprehensive cost comparison of dismantling and replacing its sewer plant; forming a regional sewer district with other Lorain communities; or sending its consolidated flow to the District for treatment. Executive Director Ciaccia advised that there has been no follow up from Lorain officials at this time.

Executive Director Ciaccia expressed his appreciation to Ms. Gallucci and NOACA on their efforts.

Mr. Brown inquired if in addition to the District making the determination of its capacity to handle increased flow were sewer use codes and pretreatment regulations also taken into consideration.

Executive Director Ciaccia replied that the District based its initial response on its capacity and ability to construct. Lorain officials were advised that if they desire moving forward, then the District must conduct a more substantive analysis. The District is not interested in expending resources on an unrealistic goal and is therefore standing by for Lorain's response. Executive Director Ciaccia noted that it would also be in the public's interest as well as a good policy if Lorain decided to consolidate its resources and form a regional sewer system and the District would be willing to facilitate in that initiative. The

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District is not opposed to sharing its services such as its laboratory and is hopeful that this will become a trend with many surrounding communities.

Executive Director Ciaccia moved to the next report item and he advised that the District sold its bonds last week and he turned discussion over to Director of Finance, Jennifer Demmerle.

Ms. Demmerle advised that the bond sale went well. The District sold a par amount of \$240 million. The senior underwriter, Seibert Branford and Shank Co., LLC, was able to sell the majority of the District's bonds. The buyers consisted primarily of investment bankers and mutual fund companies. The overall interest rate was 4.07%, which was slightly less than the last bond issue.

Executive Director Ciaccia moved to the next report item regarding advocacy outreach and he advised that District representatives met with Congressman David Joyce at Southerly. Executive Director Ciaccia indicated that discussions included issues relating to Washington D. C. and the initiatives that the District would like Congressman Joyce to consider advocating for on its behalf. Executive Director Ciaccia noted that the meeting went well.

Executive Director Ciaccia noted that District representatives previously met with Congressman Jim Renacci, which went well. The District intends to continue its advocacy and aggressively approach its outreach initiatives. District representatives will be traveling to Washington D. C. in a couple of weeks and will again meet with its representation as well as additional delegates.

Executive Director Ciaccia moved to the next report item and he advised that the City of Cleveland, Division of Water (hereinafter "CWD") is the District's largest billing agent. The District pays the CWD \$7 million annually to perform billing services. Executive Director Ciaccia advised that the City has decided to move forward with separating CWD and District bills and that it intends to accomplish this initiative by November 2013.

Executive Director Ciaccia indicated that the District is not currently supportive of re-separating the bills for the following reasons: 1) we don't know if the customers are supportive of this because they will now be required to make two remittances instead of one; and 2) separate bills would require more manual transactions which would increase the chances of error.

Executive Director Ciaccia acknowledged that it is CWD's billing system and it is their choice to re-separate the bills. While the District is opposed to bill separation, it is not vehemently opposed to re-separating the bills, nor will it prevent the City from moving

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forward with its desired initiative. The District fully intends to move forward as a cooperative partner.

Executive Director Ciaccia stated that the District participated in an excellent meeting with the new director of the City of Cleveland, Department of Public Utilities, Paul Bender, and members of his staff. The District's questions were sufficiently answered and there are some outstanding issues that the CWD will be following up on.

Executive Director Ciaccia explained that when the bills were previously separated they were issued under the same account. The remittance was applied to one account and there was an algorithm that parceled the money between the agencies. If a partial payment was submitted, the District, CWD and local community would all receive a portion of the partial payment. The same algorithm methodology applied to the combined bill currently being issued. CWD's proposal is to separate those accounts and its bill will include water, local sewer charges, and garbage fees. A separate account number will be established for the District's accounts and those bills will include sanitary sewage and stormwater. Executive Director Ciaccia advised that there are questions as to how the algorithm will apply in this instance. The District recently negotiated a new contract with the CWD which included "an agreed upon algorithm" and the District and CWD will have to reach a consensus on that particular issue.

Executive Director Ciaccia advised that the significant issue for the District was for CWD to continue to shut off water on delinquent accounts, which they agreed to. The unilateral decision by CWD to have separate account numbers redefines what might be considered a partial payment from what was intended in the recent billing agreement negotiations. Under this proposed arrangement shut offs for delinquency becomes even more important to the District. Executive Director Ciaccia indicated that the District would like more clarification and analysis from CWD as to what will happen to its cash.

Executive Director Ciaccia advised that the second issue with respect to separate accounts is that the District desires continued access to view the water bills for account history, auditing and other business purposes. The District has always had the ability to have "read only" access to customer accounts. Those accounts are considered to be public record and therefore the District's desire to continue viewing those accounts should not be a significant issue.

Executive Director Ciaccia anticipates future discussions with the CWD to include the costs associated with the re-separation of the sewer and water bills. He assured that the District will not share in the costs of operation and maintenance since the new agreement increases on consumer price index (hereinafter "CPI") and that 2010 was established as the base year. Fortunately, the District negotiated the increase on the CPI and not on the

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recalculation of operating costs because there is no question that issuing separate bills is more costly.

Executive Director Ciaccia explained that the capital costs are negotiated every year. For instance, the new automated meter reading system being installed is a capital expense and the CWD will be bringing that to the table as an additional shared expense. According to Executive Director Ciaccia, the re-conversion to a separate bill is not considered a capital expense in his mind and that issue may be addressed in future discussions with the CWD.

Executive Director Ciaccia advised that the CWD will be rolling out its communications plan soon and that the CWD will primarily be responsible of notifying the customers of the billing change.

Executive Director Ciaccia indicated that it is the District's intent to move forward in a positive manner. Mike McGing was assigned to work with the CWD on the details and outstanding issues. Executive Director Ciaccia stated that even though the District may have some reservations about re-separating the bills, we all need it to work. There were no issues when the water and sewer bills were separate under one account number. The only difference is that the accounts will have separate numbers, and the District wants to ensure that its interests are protected.

Ms. Kelly questioned if the separate bills will be mailed out at the same time in the same envelope. Executive Director Ciaccia replied that the bills will be mailed in separate envelopes three days apart. Customers will first receive a water bill and three days later a sewer bill.

Ms. Kelly inquired about the marketing and how the customer will become acclimated to the new system. Executive Director Ciaccia advised that he was not sure how the CWD intends to handle its marketing at this point. The District was given a timetable for implementation of the separate billing and it will be the CWD's responsibility to inform the customers of the change. Executive Director Ciaccia stressed that this is CWD's issue to market.

Ms. Kelly questioned if the separate billing is going to impact the expenses to us for mailing. Executive Director Ciaccia affirmed and he advised that customers having the payments directly withdrawn from their accounts will now be required to establish two separate payment accounts.

Ms. Kelly commented that the water and sewer bills were previously issued separately and she questioned as to why those charges were placed on one bill. Executive Director Ciaccia stated that representatives from the CWD made a presentation in 2008 to move to a single bill for the reason that it would result in cost savings for operation and

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maintenance of the new billing system, as well as, increase efficiency and be easier for the customer to submit one payment.

Ms. Kelly questioned as to the primary motivation of resorting back to separate billing. Executive Director Ciaccia indicated that he was advised that the customers were confused about the single bill method, and according to the District's survey results, there was some anecdotal discussion as to how the single bill may be confusing. District management determined there was not enough information in our study to make a determination. However, he was unsure if the City conducted its own survey. Executive Director Ciaccia stated that there are many issues that the customers may find confusing given the fractured nature of the business of wastewater, local sewers, interceptor sewers and the plants. He reiterated that at this time the reason given to us for the change is to address customer confusion.

V. Action Items

Authorization to Issue Request for Proposals (RFPs)

Resolution No. 66-13 Two (2) year requirement contract for skimmings removal at all Wastewater Treatment Plants. Anticipated expenditure: \$60,000.00

Resolution No. 67-13 Two (2) year requirement contract for ash removal at the Westerly Wastewater Treatment Plant. Anticipated expenditure: \$254,000.00.

**MOTION** – Ms. Kelly moved and Mayor DeGeeter seconded to adopt Resolution Nos. 66-13 and 67-13. Without objection, the motion carried unanimously.

Authorization to Purchase

Resolution No. 68-13 Purchase, from the State Term Schedule, six (6) Ford Explorer Sport Utility Vehicles for various District departments. Cost: \$172,836.00.

**MOTION** – Mr. O'Malley moved and Mr. Sulik seconded to adopt Resolution No. 68-13. After discussion and without objection, the motion carried unanimously.

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Ms. Kelly inquired as to the length of time the District keeps the vehicles before trading them in for newer models.

Director of Operation and Maintenance, Raymond Weeden, replied that the District keeps vehicles from 60,000 through 70,000 miles. In this instance, the District is adding to its fleet to accommodate the additional stormwater and engineering staffs. Mr. Weeden noted that the District in the past traded vehicles in earlier.

Ms. Kelly questioned, "That's working out for us financially?" Mr. Weeden affirmed.

Authorization to Enter Into Agreement

Resolution No. 69-13

Agreement with United States Geological Survey (USGS) for the installation and maintenance of stream gages. Cost: not-to-exceed \$337,575.00.

Resolution No. 70-13

WITHDRAWN

Authorizing final Settlement of *Northeast Ohio Regional Sewer District v. 3320 Woodland Avenue, Ltd., et al.*, Consolidated Cases 07-CV-643897 and 08-CV-650695.

**MOTION** – Mr. Sulik moved and Mayor Bacci seconded to adopt Resolution Nos. 69-13 and 70-13. Without objection, the motion carried unanimously.

Authorization to Enter Into Contracts

Resolution No. 71-13

Two (2) year requirement contract with Star Concrete & Construction in the amount of \$1,250,000.00 and O.C.I. Construction, Inc. in the amount of \$1,250,000.00 for stream sediment and debris removal as part of the Stormwater Maintenance Program (SMP). Cost: the total combined award for the two (2) contracts is not-to-exceed \$2,500,000.00.

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Resolution No. 72-13

One (1) year contract with Mythics, Inc., through the GSA Schedule GS-35F-0153M, for the annual maintenance and support of the Oracle applications & databases licensing. Cost: \$306,126.28.

**MOTION** – Mr. O’Malley moved and Mayor DeGeeter seconded to adopt Resolution Nos. 71-13 and 72-13. After discussion and without objection, the motion carried unanimously.

Mr. Brown requested further explanation on Resolution No. 71-13.

Executive Director Ciaccia turned discussion over to Ronald Czerski, Deputy Director of Operation and Maintenance.

Mr. Czerski advised that the District has been laying the foundation for the inspection and maintenance program for several years. Each department was involved in some capacity, including process mapping, establishment of the databases, GIS, etc.

Mr. Czerski advised that during today’s presentation he will provide an overview of the stormwater inspection and maintenance program, non-District infrastructure, the handling of customer service calls and after hour emergency calls, and requirement contracting.

Mr. Czerski stated that the District’s goal is to increase the functionality of the regional storm system to resolve and reduce critical consequences of flooding, erosion and catastrophic failure. This may seem a simplistic initiative; however, it does require substantial work. Essentially, the inspection and maintenance department is responsible for the inspection and maintenance of the regional systems.

Mr. Czerski advised that there are five major components of the inspection and maintenance program. The first component is customer service, which includes the prioritization, tracking and handling of those calls.

The second component is the inspection program, which is where the District sends its inspectors to inspect issues within the system.

The third component is capacity assurance that unobstructed flow is traveling through the regional network and that debris is removed from the system. Mr. Czerski noted that the third component is the most costly this year.



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The fourth component is maintenance issues such as minor stream bank repairs. Operation and Maintenance works closely with Engineering to address some of the minor erosion issues. However, substantial erosion problems will become part of the major planning efforts handled by Engineering.

The fifth component is administrative and the District's capacity to carry out this improvement program. Initially, the program will be more reactive than proactive. The District will collect and analyze the data and conduct various analyses such as failure modes to ensure that the program will become more proactive in the future.

Mr. Czerski moved discussion to the handling of calls through Customer Service. There are multiple categories of calls. Calls handled during normal business hours typically relate to infrastructure, flooding and erosion complaints. Mr. Czerski noted that the same process is used when handling normal business hour wastewater- or stormwater-related complaints.

Customer Service first determines whether the nature of the call is an emergency. Infrastructure-related calls are routed to a Tier 2 customer representative also known as an Infrastructure Service Representative (hereinafter "ISR") who conducts further analysis of the situation. If the determination is made that the problem is part of the regional network, then the ISR will enter a work order request to be handled accordingly. If the ISR cannot make the determination as to whether the problem stems from the regional network, then the caller will be routed to the Watershed Department for further analysis. Watershed will then determine whether the problem lies within the regional network. If the problem is not District-related, the caller will then be instructed to contact the proper agency. Mr. Czerski noted that often times the ISR will make a call on the customer's behalf to the appropriate agency to advise them of the issue.

After hour calls are answered by an answering service which has been instructed on how to determine whether a call is an emergency. Stormwater and wastewater emergency calls are routed to Southerly's security staff. Security has been provided with a contact list, which is updated periodically.

After a call comes in, the supervisor will send an inspector out to evaluate the situation. If the inspector determines that the problem meets the emergency criteria, then the District will follow the emergency contracting process.

Mr. Czerski provided an overview of the emergency contracting process. There are five different ways to procure emergency work. The first and preferred method is to obtain quotes. If there is time, then the District will obtain the quotes, evaluate those and make a decision based on pricing, response time and skills.

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The District has the ability to directly contract with a company capable of completing the work. This, however, is not the preferred method.

Mr. Czerski noted that the same process is followed for wastewater and stormwater emergency contracting.

If an existing contractor is on site at the location when an emergency develops, then the District can contract with that company to begin working on the situation immediately. The initial contract timeline will then be changed.

If a contractor is on site performing different work, that company can be contracted for a quick remediation of the problem and the scope of their contract will be changed.

Lastly, the District can utilize contractors from a list. If there is a spill, for example, then Watersheds can use a contractor from that list specializing in that type of work.

Mr. Czerski moved discussion to the third component of the inspection and maintenance program, capacity assurance, and he noted that the item for today's discussion was for the requirement contract, which he will address shortly.

Mr. Czerski stated that the District has the ability to perform individual project contracts. For example, if there is a large quantity of debris in a stream that requires the removal of other trees or is difficult to access, then the District will engage in further project planning and obtain quotes for that particular job.

Mr. Czerski stated that in addition to the emergency contracting process, the District can utilize agreements. One example is park agreements. The Cleveland Metroparks (hereinafter "Metroparks") would like for the District to consider using its staff as District contractors to perform some of the work. The District and Metroparks are in the process of negotiating those terms. Additionally, some member communities expressed an interest in the District entering into agreements for that community's staff to conduct some of the work. In summary, the District has different methods to assure capacity in the system and many options to procure services.

Mr. Czerski moved discussion to Resolution No. 71-13 to address the stormwater maintenance contract calculations. He advised that there were three main objectives when putting together this requirement contract. The District first wanted to include small business enterprises (hereinafter "SBEs"), minority-owned business enterprises (hereinafter "MBEs") and women-owned business enterprises (hereinafter "WBEs") to ensure diversity amongst the suppliers. From the customers' standpoint, the District also wanted to ensure that it can respond quickly while keeping costs down. Mr. Czerski noted that this contract does not require prevailing wage.

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Mr. Czerski explained that the District divided its stormwater service area into four maintenance areas, which were established based on projected workload. According to Mr. Czerski, this enabled the District to “even out the workload in those different areas” and ensure that the “SBEs, MBEs and WBEs had the ability to do this type of work. The District put the project out to bid and assigned a contractor to each different area.

Mr. Czerski presented the Board with photographic images of the debris removal, which he indicated is done on a case-by-case basis. If the District receives a call regarding a plugged up stream, then an inspector is dispatched to the area who will then notify the contractor of the situation. The contractor will then remove the debris accordingly.

Mr. Czerski moved discussion to calculations for the contract. The District performed pilot tests to determine how much it would cost for small debris removal. The District also took into consideration the number of rain events that could result in debris removal projects. The calculation for the total contracted cost was based on the average cost per debris removal project multiplied by the anticipated amount of wet-weather events requiring debris removal. Those two numbers multiplied together equaled \$2.5 million.

Mr. Brown requested further explanation on the calculation.

Mr. Czerski restated the aforementioned calculation. He then added that to determine the number of debris removal events, a base of 80 significant rain events was used. Then a percentage of the base number of significant events was multiplied by the number of areas and the number of anticipated debris removal projects per event.

Mr. Brown stated that “somewhere for removal at X number of times quantity at a particular rate is what we think this will cost.” Mr. Czerski affirmed and he stated that the amount was based on the average cost of those jobs. The District ran different pilots and the prices ranged between \$1,800.00 and \$7,000.00. The contract amount was established based on the average which was \$3,000.00 per removal. That amount was multiplied by the projected number of debris removals.

Mr. Czerski explained how the quotes were compared. Three basic units were taken into consideration: 1) the cost to remove debris; 2) the cost to haul the debris; and 3) the cost to remove sediment. Mr. Czerski stated that we looked on a unit cost basis for all of the vendors, compared the unit costs, and picked the vendor based on the lowest unit costs.

Mr. Brown questioned if those numbers are the cumulative unit cost for responding to an event. Mr. Czerski affirmed and he explained that those numbers vary based on how many units there are.

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Mr. Brown inquired if X represents the cumulative costs for each vendor to handle similar events. Mr. Czerski affirmed.

Mr. Brown inquired if the multiplier is the estimated number of anticipated rain events that the District will likely respond to in a year. Mr. Czerski affirmed.

Mr. Brown questioned if this is a requirement contract wherein Mr. Czerski affirmed.

Mr. Brown stated that since this is an estimate, the project cost could potentially be less. Mr. Czerski affirmed, and he advised that the District cannot exceed the amount of \$2.5 million without first obtaining Board approval.

Ms. Kelly referred to the “no bid” items and she inquired as to how the District was able to make a determination on the lowest and best bidder in the instance of no bid.

Mr. Czerski explained that that the contractor had the option of bidding on one, two, three or four areas. If the vendor felt it could not respond adequately in a specific area, then it did not submit a bid. Mr. Czerski advised that time is of the essence and that included in the contract was the required initial response time must be within 24 hours. Additionally, the contractor may be required to handle concurrent jobs, which forced the contractors to bid only on the areas that it could adequately manage in a timely manner.

Ms. Kelly stated that the process seems complicated and she questioned if there was another method the District could use.

Mr. Czerski advised that a significant challenge is that the District cannot predict the amount of debris and locations where debris removal will be necessary. The District is navigating a lot of unknowns and the intent is to have the ability to procure quickly without having to obtain a quote each time. It is not inconceivable to assume that the District will be issuing 600 work orders related to debris removal and to quote 600 times would significantly impact the response time.

Executive Director Ciaccia added that the District knew it would have to remain flexible because there is no history and when bidding unit types of jobs, good estimated quantities are helpful. The District does not have a history with estimated quantities for this particular type of work and therefore it was understood that there would be a large unknown going into this bid. Executive Director Ciaccia was hopeful that future bids will include better estimated quantities.

Mr. Brown stated that time parameters are essential and that quick response for some emergencies are critical. For instance, the triple barrel culvert at Euclid Creek and East 185<sup>th</sup> Street became blocked by trees from the Metroparks which threatened the

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surrounding areas with three or four feet of water and waiting 24 hours would have been an inappropriate response time if the water crested. Mr. Brown requested clarification on how the District will assure a quicker response time on critical emergencies.

Mr. Czerski advised that the District can exercise the emergency contracting process by following one of the aforementioned methods. The District has the ability to contact a contractor capable of doing the required work and requesting the contractor to respond immediately without having to go through the maintenance contract.

Mr. Brown inquired about the non-prevailing wage language.

Executive Director Ciaccia clarified that under Ohio Revised Code these types of maintenance jobs are not required to be prevailing wage, only capital projects. Cities are different because they operate under City Charters, which require prevailing wage.

In reference to Ms. Kelly's concern regarding the complexity of this process, Mr. Czerski referred to the administrative program component and he advised that staff will analyze the maintenance data, and determine where more specific contracts could be developed in the future.. Ms. Kelly indicated that this would be helpful.

Mr. Czerski presented the Board with examples of maintenance contracting projects: Pepper Creek in Pepper Pike, Baldwin Creek in Parma, and the double barrel culvert in Macedonia. Most of those contracts require debris removal as well as the removal of large trees. Mr. Czerski noted that with respect to the Forest Hills area there is a trash rack in the middle of the screen that requires periodic cleaning. Once the District has more history about the needs of the service areas, then it will have the ability to establish a maintenance route and more standardized costs where appropriate.

Mr. Czerski advised that the customers are required to only contact one number through Customer Service for all stormwater complaints, wastewater complaints, infrastructure problems and billing inquiries. Watershed team leaders can be contacted as well.

Mr. Czerski concluded his presentation with a quote from Frank Greenland, "Get back to work."

Authorization of Property Related Transactions

Resolution No. 73-13                      Authorize acquisition from Janet K. Boyert, in the City of Cleveland, one (1) permanent sewer easement and one (1) temporary easement necessary for the construction of the Spring-Jennings Cut Off Sewer project. Consideration: \$2,180.00.

Resolution No. 74-13                      Authorize one (1) easement from the City of Cleveland necessary for reconstruction of CSO 092 associated with the Flats East Development project. Consideration: \$0.00.

**MOTION** – Mayor Bacci moved and Mr. Sulik seconded to adopt Resolution Nos. 73-13 and 74-13. Without objection, the motion carried unanimously.

Authorization to Release Proposed Changes

Resolution No. 75-13                      Release proposed changes to *Title I – Sewer Use Code* and *Title II – Pretreatment Regulations* for member community and interested party review and comment.

**MOTION** – Mayor DeGeeter moved and Mayor Bacci seconded to adopt Resolution No. 75-13. Without objection, the motion carried unanimously.

Authorization to Issue Request for Proposals (RFPs)

Resolution No. 76-13                      RFPs for business case analysis for the billing and collection process.

**MOTION** – Ms. Kelly moved and Mr. O’Malley seconded to adopt Resolution No. 76-13. After discussion and without objection, the motion carried unanimously.

Executive Director Ciaccia advised that the District and City of Cleveland recently entered into a new billing agreement for a five year period. The last agreement was from the 1980s. The District chose to enter into a shorter agreement because of the CWD’s ongoing changes and capabilities of the new billing system. Executive Director Ciaccia

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advised that in his discussions with Director Bender, he was advised that there will be number of projects that the City will be taking on including the automated meter reading system and billing system upgrades. There are multiple possibilities and the District wants to ensure that the current arrangement with the CWD is within the best interests of the District.

Executive Director Ciaccia stated that there are three possible outcomes. First, that the as-is relationship is right and is within the best interests of the customer. A second option may be the District will buy reads from Cleveland and perform some of the other billing and collection functions and consider a different arrangement with the suburban sewer communities. A third option may be the District will perform its own billing and collection functions, which Executive Director Ciaccia indicated may not be the most cost-effective option.

Executive Director Ciaccia advised that the District's intent is to conduct a business analysis and determine alternative billing options. Executive Director Ciaccia noted that the basis of billing analysis study is nearing completion. The District's primary basis for billing is water consumption; the fixed charge recovery cost was introduced during this last round of rate increases. The billing analysis will determine other billing alternatives, for example, fixtures within the home, which would not require the need for meter reads.

The District is currently at a disadvantage during agreement negotiations since it does not have any leverage. Executive Director Ciaccia assured that that over the next five years the District will be considering alternative options.

Authorization to Enter Into Agreement

Resolution No. 77-13

Stormwater Management Program billing agreements with member communities.

**MOTION** – Mr. Sulik moved and Mr. O'Malley seconded to adopt Resolution No. 77-13. Without objection, the motion carried unanimously.

Authorization to Adopt

Resolution No. 78-13

Adopt Findings of Fact in Laborers' International Union of North America, Local 860 and NEORSO SERB Case No. 12-MED-12-1458.

**MOTION** – Mayor Bacci moved and Mayor DeGeeter seconded to adopt Resolution No. 78-13. After discussion and without objection, the motion carried unanimously.

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Executive Director Ciaccia turned discussion over to Director of Human Resources, Douglas Dykes.

Mr. Dykes stated that in July of 2012, the District and Laborers' International Union of North America, Local 860, which is the Security Officers' union, (hereinafter "Union"), began negotiating its contract. Tentative agreements were reached, however, the proposed contract was voted down by the Union in late November of 2012.

Subsequently, the District engaged with fact finder, Jeffrey Belkin, who presided over the discussions between the Union and District management in March of 2013. There were two outstanding issues. The Union was asking for equity adjustment in addition to a 2% wage increase. The Union also requested that management have limited rights on rotating officers from one location to the other.

Mr. Belkin decided that the wages would be consistent with the other unions, which was 2%. He additionally inserted language into the article pertaining to officer rotation. Ultimately, management was given the right to rotate at will.

Mr. Douglas advised that the Union voted to accept Mr. Belkin's findings.

VI. Information Items

There were no information items.

VII. Public Session

No members from the public registered to speak at Public Session.

VIII. Open Session

There were no items for discussion.

IX. Executive Session

There were no items for discussion.



X. Adjournment

**MOTION** – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Ms. Kelly seconded the motion to adjourn at 1:36 p.m. Without objection, the motion carried unanimously.

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Sheila Kelly, Secretary  
Board of Trustees  
Northeast Ohio Regional Sewer District

A handwritten signature in black ink, appearing to read "Darnell Brown", is written over a horizontal line. The signature is cursive and includes a large initial "D".

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