

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
APRIL 20, 2017

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 Ronald Sulik.

I. Roll Call

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

ABSENT: D. Brown

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

II. Approval of Minutes

MOTION – Mayor Bacci moved and Ms. Dumas seconded to approve the minutes of the April 6, 2017, 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 advising that on April 7 she and a group of District staff met with journalists at the Euclid Tunnel Dewatering Pump Station. The journalists came through the Institute for Journalism and Natural Resources which puts together field trips for journalists every year. This year's topic was drinking water.

Ken Duplay, Interim Chief Financial Officer, advised that in the March financial statement revenue is down 22.5% from the 25% expectation. Consumption is slightly below the budgeted amount and a few larger water-leak adjustments over the first quarter should not impact the year going forward. Staff is not extremely worried about the deficiency. The rate study built in cushion in the revenue figure.

Regarding stormwater expenses, Mr. Ciaccia requested an explanation in terms of personnel being low. Mr. Duplay advised that stormwater is not fully staffed to their budgeted positions.

unanimously.

James Bunsey, Director of Engineering & Construction, advised that the Woodland Central Green Infrastructure Project is one of nine Green infrastructure projects being prepared to address the Appendix 3 Green Infrastructure components of our CSO program. The project will reduce post-gray CSO by 4 million gallons per year and provide treatment to stormwater before it is returned to the system.

Doug Lopata, Program Manager, advised that Appendix 3 requires the District to obtain 44 million gallons of CSO control from these Green Infrastructure projects in addition to the required gray infrastructure by July 2019.

There are five projects under this component of the program. Two other projects that are ready to be awarded and another is ready to be advertised.

Mr. Lopata advised that these projects will be completed by July 2019, control an additional 15.7 million gallons of CSO with in an approximate amount of \$60 million which eclipses the \$42 million required. The District is on schedule in terms of the calendar deadlines. However, the projects will not meet the 44 million gallons of control which moves the District into corrective action.

District staff met with the EPA in October 2014 and were able to move away from the more expensive projects that had less of a CSO benefit. In September 2016 District staff presented a corrective action approach to the EPA and this week reached an agreement in the form of a letter on the corrective action approach.

Mr. Lopata explained that after the projects are completed in July 2019 post-construction monitoring will reveal the CSO capture rate and then staff will form a corrective action report to be met by 2023, which would include upsizing the Doan Valley Tunnel.

Mr. Ciaccia inquired whether the corrective action would require amending the consent decree through the court. Eric Luckage, Chief Legal Officer & General Counsel, stated that the District does not need to return to the court because that is not a material modification.

Mr. Ciaccia questioned whether the Woodland Central Project site is a Brownfield and what would happen in terms of property ownership of the property and legal issues with environmental laws. Mr. Lopata explained that the District is in the appropriation process with some of the properties that had environmental issues, but staff is moving forward with the accesses available to start the projects.

Authorization to Issue Request for Proposals (RFPs)

Resolution No. 131-17

Authorization to issue RFPs, in accordance with Ohio Revised Code Chapter 153, for design and construction administration/resident project

representation services for the West 3rd
Quigley/Westerly Miscellaneous Combined Sewer
Overflow Control project.

Resolution No. 132-17

Authorization to issue RFPs, in accordance with
Ohio Revised Code Chapter 6119, for the Support
Services for Automation, SSA-3, project.

Resolution No. 133-17

Authorization to issue RFPs, in accordance with
Ohio Revised Code Chapter 6119, for the
Automated Testing Solution Implementation
project.

MOTION – Mayor Bacci moved and Mayor Stefanik seconded to adopt Resolution Nos. 131-17 through 133-17. After the following discussion and without objection, the motion carried unanimously.

Bob Meholif, Manager of Process Controls & Automation, advised that the Process Control and Automation Department will manage the contract under Resolution No. 132-17 and the department is evolving into a leaner, efficient and focused maintenance group.

The department will provide training for engineers, baselining workloads, performing niche and specialty work that current engineers cannot and emergency support services 365 days per year.

Mr. Meholif explained that automation assets are supported by internal staffing and external contracts. Assets and processes delivered to the District will focus on modifications rather on maintenance, and the bulk of Support Services for Automation will fill the void.

Current staffing levels cannot attend to this and the bandwidth needs to be absorbed through this all-under-one-umbrella contract. Mr. Meholif explained that while Support Services for Automation may never be eliminated, it will be drastically reduced because staff will be trained to perform the work rather than contractors.

Authorization to Purchase

Resolution No. 134-17

Authorization to purchase, from sole source
vendor Paladin Protective Services, Inc., one year
of integrated security services for the Southerly
Wastewater Treatment Plant, George J.
McMonagle building and Environmental and
Maintenance Services Center in the amount of
\$62,400.00.

MOTION – Mayor Bacci moved and Ms. Dumas seconded to adopt Resolution No. 134-17. Without objection, the motion carried unanimously.

Authorization to Enter Into Agreements

Resolution No. 135-17

Authorize agreements with the City of Cleveland and the Cleveland Museum of Natural History's GreenCity BlueLake Institute as fiscal agent, to sponsor District related projects to be implemented during the Mayor Frank G. Jackson's Youth Summer Employment Program with a recommended expenditure not-to-exceed \$25,000.00.

MOTION – Mr. Ciaccia moved and Mayor Bacci seconded to adopt Resolution No. 135-17. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 136-17

Authorize a professional services contract with Hazen and Sawyer for the Westerly Chemically Enhanced High Rate Treatment project in the amount of \$8,742,673.00.

Resolution No. 137-17

Authorize an 18-month contract with Polydyne, Inc. for delivery of liquid emulsion polymer solution for use at the Southerly Wastewater Treatment Plant in the amount of \$1,647,523.50.

Resolution No. 138-17

Authorize a two-year contract with Simmers Crane for crane inspection, maintenance and repairs at District facilities in the amount of \$243,625.00.

Resolution No. 139-17

Authorization to enter into contracts with Oracle Corporation for annual software maintenance and support of the Oracle applications and databases in the amount of \$699,379.03.

Resolution No. 140-17

Authorization to enter into a contract with PCM Sales, Inc. and procure Cisco hardware and software under the Ohio State Term Program for the Enterprise Wireless Implementation in the amount of \$196,609.00.

MOTION – Mayor Stefanik moved and Ms. Dumas seconded to adopt Resolution Nos. 136-17 through 149-17. After the following discussion and without objection, the motion carried unanimously.

Mr. Sulik requested an explanation regarding Resolution No. 136-17. Mr. Bunsey advised that the Westerly Chemically Enhanced High Rate Treatment Project is among the largest projects that will impact Westerly. This is a design services contract contains a higher-than-average engineering fee because it is highly coordinated with staff and the Ohio EPA. District staff is still working with the EPA and the consultant will support efforts to prove the work can be done, which has a tremendous potential in savings of capital investment.

Mr. Sulik inquired whether the EPA has provided feedback. Mr. Bunsey explained that the initial feedback has not been positive. The simultaneous disinfection approach is a relatively new area.

CEO Dreyfuss-Wells stated that the focus of the letter the District sent to its Congressional delegation was to continue to assist with the outreach to the Ohio EPA and U.S. EPA.

Mr. Ciaccia stated that a ballasted flock treatment was much more expensive than chemically-enhanced treatment now under discussion. Mr. Bunsey agreed and clarified that chemically-enhanced treatment is an oxidation of the materials that are settling, which utilizes chemicals to get the material together and settled very quickly at a high rate.

Moving to Resolution No. 139-17, Mr. Sulik inquired whether this action brings the District up to date. Chandra Yadati, Director of Information Technology, affirmed and explained that this is for the licenses acquired and annual maintenance and support which allows for the research of any issues that arise with Oracle software and to get any updates and security patches.

Authorization of Contract Modification

Resolution No. 141-17

Authorize the final adjusting modification of Contract No. 15000581 with Fabrizi Trucking & Paving Company for the Green Ambassador Fairhill/MLK project by decreasing the contract amount by \$621,687.49 bringing the total contract price to \$5,326,716.36.

MOTION – Mayor Bacci moved and Ms. Dumas seconded to adopt Resolution No. 141-17. After the following discussion and without objection, the motion carried unanimously.

Mr. Bunsey stated that all project requirements were fulfilled even though it was a big reduction in cost. The major variants of the savings were specific allowances for remedial hazardous waste, remedial action and both specific allowances were not tapped.

Authorization to Amend Resolution

Resolution No. 10a-17

Authorization to amend Resolution No. 10-17 for the 2017 Member Community Infrastructure program to obtain additional authorization to name the Cuyahoga County Department of Public Works

as an additional party to the City of Parma's Broadrock Court Sanitary Relief Sewer Connection Project Agreement and Olmsted Township's Bagley Road Water & Sewer Project Agreement under the Member Community Infrastructure Program.

MOTION – Mayor Stefanik moved and Mayor Bacci seconded to adopt Resolution No. 10a-17. Without objection, the motion carried with one abstention by Mayor DeGeeter.

Resolution No. 10b-17

Authorization to amend Resolution No. 10-17 to accept the Village of Moreland Hills' withdrawal of its application for the WEB Area Septic Conversion Project under the Member Community Infrastructure Program Agreement and enter into an agreement with the City of Parma for the Ridge Road Septic System Abatement Project under the Member Community Infrastructure Program in the amount of \$340,036.00.

MOTION – Mayor Bacci moved and Ms. Dumas seconded to adopt Resolution Nos. 10b-17 and 10b-17. Without objection, the motion carried with one abstention by Mayor DeGeeter.

Authorization to Designate

Resolution No. 142-17

Authorization to designate Frank G. Foley as Hearing Officer for appeals of administrative determinations to the Board of Trustees.

MOTION – Mayor Bacci moved and Mr. Ciaccia seconded to adopt Resolution No. 142-17. Without objection, the motion carried unanimously.

Authorization to Modify Contract

Resolution No. 144-17

Authorization to modify contract with Staffing Solutions for temporary staffing by adding \$32,279.34 bringing the total contract price to \$67,279.34.

MOTION – Mayor Stefanik moved and Mr. Ciaccia seconded to adopt Resolution No. 144-17. Without objection, the motion carried unanimously.

VI. Information Items

1. Municipality Breakdown First Half Final 2017 Certification and Certification of Direct Bill Delinquent Sewer Accounts to Cuyahoga and Lorain Counties

Mr. Duplay advised that there is a little over \$3 million which was expected. Between 1976 and 2015 the District certified \$59.5 million to Cuyahoga County and collected \$42 million, representing a 71% collection rate on certifications.

2. Program Management Status Report and Update – March 2017

Mr. Bunsey advised that cash flow is up to 90% and he expects it to increase.

35% of Project Clean Lake projects are in planning, design and/or being constructed with 49 active construction projects and a portfolio of \$593 million. The District has added two projects to the Capital Improvement Program portfolio this year, and 104 active projects of \$964 million.

Business Opportunity Program (BOP) participation is at 15.3% while the goal of closed projects is 17.3%. The lower percentage was due to the Chevy Boulevard Project emergency authorization for the Ridge Road sewer collapse and the SMAC project which had a large component of sole-source technology. Mr. Bunsey, however, expects the BOP participation percentage to increase.

We're not doing so well on the 60-day average plan of getting the designs out and completed. We had one bad actor where we're 114 days past goal. That skewed the results to get us to the 74 days.

Mr. Bunsey advised that the District has \$250,000 of value engineering savings to date but he expects to claim savings over the next quarter of \$11 million, reaching 50% of the \$23.6 million annual goal by mid-year.

Mr. Bunsey advised that all closed projects have met their substantial completion dates and close on average within 95% of the total contract value. Projects in construction are closing without significant overrun and trending work orders are higher due to emergency measures.

Staff put into place three specific flow-monitoring locations as part of monitoring requirements under Appendix 3, Green Infrastructure.

The Southerly Maximum Achievable Compliance Project finished fiscally very well at 94%, meeting KPI. The BOP goal was 15% but actual participation was only 5%; however, the contractor worked in good faith and increased it throughout the project.

The Dugway Storage Tunnel Project will begin in early May and will have fairly high cash flow immediately.

The Euclid Creek Tunnel Dewatering Pump Station has been at 95% for about four months. Hydraulic testing will commence shortly. Mr. Bunsey reminded the Board that this project will not meet the final contract completion date of June 29. Discussions are underway on how to handle this situation and determine from a commercial standpoint what to do.

The East 140th Street Project and Dugway South Relief Consolidation Sewer projects are going well but disrupting the neighborhoods. Staff is working with the contractor on a water line relocation that caused a 93-day change of schedule.

The Stone Superior Canal Improvements Project involves a tremendous change of traffic patterns on Superior as it goes up the hill towards downtown. Staff is working though those issues with the City of Cleveland to minimize the impact.

Bruce Buchanan, Senior Project Engineer, explained that project was a design-build because it seemed to be a perfect fit for that model. The \$2 million contract with a 24-month schedule was completed in thirteen months. The benefits were to significantly reduce lighting maintenance at all three District facilities, significantly reduce electrical usage, provide lower life cycle costs for light fixtures and better overall consistent illumination.

Richard Sinclair, Construction Supervisor, advised that at Southerly staff replaced 182 high-mass fixtures on the roadway and the parking lot lighting. Staff further replaced lighting in the tunnels on a 3-to-1 ratio, thereby saving on maintenance. The remaining fixtures are on motion sensors which should add savings over time.

Mr. Buchanan stated that the overall value was \$2 million. Southerly's energy usage for that typical circuit was 20.6% of the previous system and the high-mass lighting system was 33.8% of the previous system. Easterly energy usage was down to 10% of the previous system and Westerly were down to 12.7%. The estimate or turn-on investment including the fixtures, energy and maintenance cost is roughly 4.5 years.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

MOTION – Mayor Bacci moved and Mayor Stefanik seconded to go into Executive Session pursuant to Ohio Revised Code Section 121.22(g)(1) to consider the appointment and employment of a public employee. After discussion and without objection, the motion carried unanimously by roll call vote.

The Board met in Executive Session from 1:29 p.m. to 1:50 p.m.

X. Approval of Items from Executive Session


Resolution No. 143-17

Appointment of James Bunsey to the position of the District's Chief Operating Officer, effective April 24, 2017.


MOTION – Mayor Bacci moved and Mr. Ciaccia seconded to adopt Resolution No. 143-17. Without objection, the motion carried unanimously.

XI. Adjournment

MOTION – Mr. Sulik stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Mr. Ciaccia seconded the motion to adjourn at 1:51 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