

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
May 2, 2019

A Regular Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:35 p.m. by Darnell Brown.

I. Roll Call

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

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

II. Approval of Minutes

**MOTION** – Mayor Bacci moved and Mr. Sulik seconded to approve the Minutes of the April 18, 2019, Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

There were no items.

IV. Chief Executive Officer's Report

CEO Dreyfuss-Wells began her report by stating that the Suburban Council of Governments (SCOG) met on April 23<sup>rd</sup> at EMSC. The meeting was well attended. Alex Fikaris, Customer Service Process Analyst, provided an overview of the District's rate-savings programs and the District's efforts to increase participation in those programs. Danielle Giannantonio, Manager of Legislative Affairs, provided an update on the H2Ohio Fund and Frank Greenland, Director of Watershed Programs, addressed outstanding questions that SCOG members had about what other communities are doing to address the non-point source pollution in the Lake Erie Basin. Jenn Elting, Senior Public Information Specialist, provided an overview of the River Reborn Anniversary events.

Next, CEO Dreyfuss-Wells noted that 28 employees were honored during the most recent quarterly employee recognition awards for activities that exemplify the District's core values. She also noted that the common theme this quarter was customer service, both internal and external. District staff

continue to go above and beyond in assisting their colleagues and taking opportunities to represent the District to the larger communities.

Next, CEO Dreyfuss-Wells explained that she met with a group of Water Fellows that are organized by Michigan State University and the Nature Conservancy on April 26<sup>th</sup>. The Water Fellows represent governments and non-profits from across Michigan who are focused on rebuilding confidence in Michigan utilities in light of the Flint water crisis, ongoing affordability conversations and concerns with the lack of infrastructure investment in the state – many of the same issues that we are dealing with in Ohio. CEO Dreyfuss-Wells, Andrew Kricun, Executive Director of the Camden County Municipal Utilities Authority, and Steve Hubbs, a retiree from the Louisville Water Company, were invited to talk about dealing with poverty, affordability, transparency, and investment issues within a utility.

CEO Dreyfuss-Wells ended her report by highlighting the District’s long participation with New Tech Collinwood High School as part of the Architecture Construction and Engineering (“ACE”) program. CEO Dreyfuss-Wells explained that eleven schools participated, and the District’s New Tech ACE team of 17 students was awarded an honorable mention for presentation of their project “Water by the Railroaders”. The students had a lot of help from District mentors and emphasized and congratulated the District staff for the time spent working and mentoring these students.

Mr. Ciaccia asked about the status of the H2Ohio Fund and if there might be any opportunities for the District. CEO Dreyfuss-Wells stated that the H2Ohio Fund is in the governor’s proposed budget but has not yet been approved. CEO Dreyfuss-Wells explained that the District met with Joy Mulinex of the Ohio Lake Erie Commission to talk about the District’s work, and staff is working on follow-up correspondence to Ms. Mulinex to emphasize the sewer system evaluation studies (SSES) and the infrastructure expenses and water quality issues facing local communities.

V. Action Items

Authorization to Issue Request for Proposals (RFP)

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| Resolution No. 103-19 | Authorization to issue a Request for Proposals, in accordance with Ohio Revised Code Chapter 153, for the Shoreline Consolidation Sewer project.   |
| Resolution No. 104-19 | Authorization to issue a Request for Proposals, in accordance with Ohio Revised Code Chapter 153, for the Easterly/Southerly PLC Replacement, Easterly/Southerly Programmer, and Collections PLC Replacement projects. |
| Resolution No. 105-19 | Authorization to issue a Request for Proposals, in accordance with Ohio Revised Code Chapter 153, for the Southerly Building Demolition project.   |

**MOTION** – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution Nos. 103-19 through 105-19. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown requested further explanation on Resolution No. 103-19, Devona Marshall, Director of Engineering and Construction, explained that this consolidation sewer is part of the larger Shoreline Tunnel Project which is in design. As part of that design in the preliminary phase the hydraulic models were updated based on new flow monitoring resulting in a reduction in the necessary length of the consolidation sewer. Ms. Marshall also explained that as a result of reducing the length of the sewer, the number of shafts were reduced from seven to two, resulting in an estimated construction savings of almost \$50 million.

Mr. Brown questioned if this would have any impact on the overall goal in terms of the amount of reduction that needs to be removed. Ms. Marshall affirmed that this would have an impact in the overall amount being captured as there is less flow than originally estimated but it would not impact the overall size of the tunnel. Ms. Marshall explained that the overall level of control remains the same. Ms. Marshall briefly explained that regarding Burke, the only potential impact is at the location of CSO-200 where the District may have to get on the property for some inspection of that CSO, but that she does not anticipate any impact regarding the construction.

Authorization to Purchase

Resolution No. 106-19

Authorize the purchase of spare parts to be used on an as-needed basis from manufacturer and sole-source vendor Schwing Bioiset, Inc. to repair and maintain Schwing Bioiset material handling equipment for the Southerly and Westerly Wastewater Treatment Plants in a total amount not-to-exceed \$250,000.00.

**MOTION** – Mr. Sulik moved and Mr. Ciaccia seconded to adopt Resolution No. 106-19. Without objection, the motion carried unanimously.

Authorization to Enter into Contract

Resolution No. 107-19

Authorization to enter into contract with Building Integrated Services for the Substation Preventative Maintenance and Repair Services project in an amount not-to-exceed \$711,810.00.

**MOTION** – Mr. Ciaccia moved and Mayor Bacci seconded to adopt Resolution No. 107-19. Without objection, the motion carried unanimously.

Authorization to Enter into Agreement

Resolution No. 108-19

Authorization to enter into a Water Resource Project agreement with the City of Hudson to provide funding toward the Barlow Community Center Dam Improvement project in an amount not-to-exceed \$1,719,580.00.

Resolution No. 109-19

Authorization to enter into a Water Resource Project agreement with the City of Hudson to provide funding toward the Owen Brown Street Bridge project in an amount not-to-exceed \$1,302,000.00.

Resolution No. 110-19

Authorization to enter into a Water Resource Project agreement with West Creek Conservancy to provide funding toward the acquisition of PPN 452-33-002 located in the City of Parma along West Creek, for operation and maintenance of the Regional Stormwater System in an amount not-to-exceed \$115,000.00.

**MOTION** – Mayor Stefanik moved and Mr. Ciaccia seconded to adopt Resolution Nos. 108-19 through 110-19. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown requested further explanation on Resolution Nos. 108-19 and 109-19 and stated that these projects may look like the District is opening a structure to allow more flow through.

Frank Greenland, Director of Watershed Programs, explained that the City of Hudson initially looked at both projects involving a dam and a bridge. There were also issues related to flooding in their community which were brought up to the District, and these were part of the Cuyahoga South Stormwater Master Plan study. The District studied the dam in the master plan and determined it would be advantageous to add flood storage capabilities to the detention facility to provide downstream benefits to reduce flooding along Brandywine Creek. The District analyzed upstream, downstream, and the recommended alternative for this area to deal with downstream flooding and it also helps with erosion and enhancement of water quality. Mr. Greenland explained that the District wants to enter into a partnership with Hudson to advance this project.

Mr. Brown questioned if the partner project being done will be doing something with the span of the bridge. Mr. Greenland noted that the bridge was a constriction point and it was causing upstream flooding and spilling into the neighborhood. During the master plan, it was modeled, and the recommendation was to open this bridge structure up. The District looked at what the impact would be both upstream and downstream and felt comfortable that it was the right solution.

Mr. Brown was concerned with a potential of the adjacent land being developed in the future. Mr. Greenland explained that the District has worked with Hudson in the past and the land is available and needed by Hudson to prevent downstream flooding. Mr. Greenland explained that Hudson had issues back in the 2000's with flooding along Brandywine, but improvements were made since then and this is just another step in the process.

CEO Dreyfuss-Wells further explained that under Title 5, which is the District's Stormwater Management Code, the District reviews the stormwater management plans for development in the member communities.

Mr. Ciaccia asked if the City of Hudson was a member community Mr. Greenland noted that the City of Hudson is a member community.

Authorization to Modify

Resolution No. 111-19

Authorization to modify the 2018 Green Infrastructure Grant Program Water Resource Project Lease Agreement with Fairhill Partners for the Campus Green Infrastructure Project, to include additional funding and work scope with an increase in contract amount of \$11,385.00, bringing the total lease amount to \$311,275.00.

Resolution No. 112-19

Authorization to Modify Contract No. 17001251 with Kokosing Industrial for the Southerly Wastewater Treatment Center Second Stage Lift Station Improvements project for a time extension of 246 calendar days with no change in the contract amount.

Resolution No. 113-19

Authorizing the final adjusting change order for Contract No. 18001954 with Regency Construction Services, Inc. for the GJM Building Interior Renovations project by decreasing the contract amount by \$47,442.59, thereby bringing the total contract amount to \$1,039,499.41.

**MOTION** – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution Nos. 111-19 and 113-19. Without objection, the motion carried unanimously.

**MOTION** – Mr. Sulik moved and Mayor Bacci seconded to adopt Resolution No. 112-19. After the following discussion, without objection, by roll call vote, the motion carried with all present members voting yes and recusal from discussion and voting abstention by Mr. Ciaccia.

Mr. Brown requested further explanation on Resolution No. 112-19 regarding the time extension on the project and the lift stations. Ms. Marshall explained that this project experienced delays during construction caused both by the District and the contractor. Ms. Marshall noted that there is a lot of coordination that needs to be done in the plant and there were some delays due to that coordination during wet weather and other things. The contractor also ran into differing site conditions relating to electric work and, in addition, there were delays in the submittal process from the contractor plus the District's review of those submittals and delays in modification of the pumps. Ms. Marshall explained that after reviewing all the information, there was an agreement for a time extension at no cost to the District.

Sewer Use Code Matters

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| Resolution No. 114-19 | Adopting the findings of the Hearing Officer with regard to sewer charges on the account of Ms. Nina Soto, Sewer District Hearing No. 19-008, that the customer's request be denied.                    |
| Resolution No. 115-19 | Authorization to adopt the findings of the Hearing Officer with regard to sewer charges on the account of Ms. Kim Foreman, Sewer District Hearing No. 19-010, that the customer's request be denied.    |
| Resolution No. 116-19 | Authorization to adopt the findings of the Hearing Officer with regard to sewer charges on the account of Ms. Miroslava Oroz, Sewer District Hearing No. 19-004, that the customer's request be denied. |

**MOTION** – Ms. Dumas moved and Mayor Bacci seconded to adopt Resolution Nos. 114-19 through 116-19. Without objection, the motion carried unanimously.

Authorization to Reject and Re-Bid

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| Resolution No. 117-19 | Authorizing the District to reject bids and re-bid the Centrifuge Rebuilding Services for the Southerly and Westerly Wastewater Treatment Centers project, with an anticipated expenditure of \$900,000.00. |
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**MOTION** – Mr. Sulik moved and Ms. Dumas seconded to adopt Resolution No. 117-19. Without objection, the motion carried unanimously.

Property Related Transaction

Resolution No. 118-19

Authorization to acquire two permanent stormwater easements located on Harvard Avenue, in the City of Newburgh Heights, and known as part of PPNs 511-02-001, 511-05-033, 511-03-032, 131-01-003, 131-01-002 and 511-03-001 owned by LTV Steel Company, Inc., aka ISG Cleveland, Inc., nka ArcelorMittal Cleveland, LLC, necessary for the construction and maintenance of the S-75/S-76 Stormwater Outlet Replacement project with total consideration of \$1.00.

Resolution No. 119-19

Authorizing the District to acquire one parcel in fee simple located at 19908 Longbrook Drive, in the City of Warrensville Heights, and known as PPN 761-16-083, owned by Fredrick and Nellie Harris, necessary for the construction and maintenance of the Mill Creek Bank Stabilization project, to enter into a lease agreement with Fredrick and Nellie Harris, and to allow for the entirety of the payment to be disbursed to Innovative Title and Escrow Services, LLC with total consideration of \$85,000.00 plus closing costs.

Resolution No. 120-19

Authorizing the District to acquire one parcel in fee simple located at 8970 Brookside Road, in the City of Independence, and known as PPN 564-27-029, owned by Nicholas M. Olszko, necessary for the construction and maintenance of the Cuyahoga River Tributary Bank Stabilization project and to enter into a lease agreement with Nicholas M. Olszko with total consideration of \$260,000.00 plus closing costs.

Resolution No. 121-19

Authorizing the District to acquire one parcel in fee simple located at 6955 Donna Rae Drive, in the City of Seven Hills, and known

as PPN 552-11-002, owned by Douglas D. and Lora D. Smith, necessary for the construction and maintenance of the Hemlock Creek Bank Stabilization-Seven Hills project, to enter into a lease agreement with Douglas D. and Lora D. Smith, and to allow for the entirety of the payment to be disbursed to Innovative Title and Escrow Services, LLC with total consideration of \$280,000.00 plus closing costs.

Resolution No. 122-19

Authorizing the District to acquire one parcel in fee simple located at 3360 Forest Overlook, in the City of Seven Hills, and known as PPN 552-11-053, owned by Luanne M. Miller, fka Luanne Radtke, necessary for the construction and maintenance of the Hemlock Creek Bank Stabilization-Seven Hills project, to enter into a lease agreement with Luanne M. Miller, and to allow for the entirety of the payment to be disbursed to Innovative Title and Escrow Services, LLC with total consideration of \$250,000.00 plus closing costs.

Resolution No. 123-19

Authorizing the District to acquire one parcel in fee simple located at 3350 Forest Overlook, in the City of Seven Hills, and known as PPN 552-11-054, owned by Mykola Shunevich, necessary for the construction and maintenance of the Hemlock Creek Bank Stabilization-Seven Hills project, to enter into a lease agreement with Mykola Shunevich, and to allow for the entirety of the payment to be disbursed to Innovative Title and Escrow Services, LLC with total consideration of \$285,000.00 plus closing costs.



**MOTION** – Mr. Ciaccia moved and Mayor Bacci seconded to adopt Resolution Nos. 118-19 through 123-19. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown requested further explanation on Resolution Nos. 121-19 through 123-19 regarding Hemlock Creek. Before introducing Matt Scharver, Deputy Director of Watershed Programs, to provide the Board with further details on Hemlock Creek, Mr. Greenland noted that the City of Hudson does own the land that the District needs in order to move forward with the Hudson projects that were previously approved by the Board.

Mr. Scharver presented the Board with slides on the Hemlock Creek Stream Stabilization Project in the City of Seven Hills. Some of the parcels in this area have been acquired. Mr. Scharver explained that there is a parcel that sits just below the dam that experienced erosion along the property. This project will address erosion and flooding. Hemlock Creek makes a couple of unnatural 90-degree bends and floods a residential property repeatedly. The District acquired that property. The acquisition of PPNs 552-11-054 and 552-11-053 in the Hemlock Creek area at Forest Overlook Drive will put the District in a position where it can realign the culvert crossing on Donna Rae and look to do similar work on the culvert crossing at Forest Overlook. Mr. Scharver concluded by noting that in total the District will be removing homes from erosion issues along Hemlock Creek, removing homes that have been experiencing flooding, and then expanding floodplain and realigning Hemlock Creek to better pass through these residential streets, and address these issues in their entirety.

Mr. Brown questioned whether the property owners on Hemlock Creek are aware that they are going to be moving soon. Mr. Scharver explained that this is a voluntary acquisition and that when the District undertakes each of these projects, it reaches out to the city administration to make sure that the city administration is on board before the project moves forward and property owners are engaged – allowing for time or lease-back agreements with affected property owners. Eric Luckage, Chief Legal Officer, noted that all the parcels involved in leases go through October 15, 2019, allowing the owners time to digest the situation and locate another residence. Also, the District will be keeping in touch with those owners and make them aware of the approaching date of October 15<sup>th</sup> to make sure they are aware of the deadline for vacating the property.

## VI. Information Items

### 1. 2019 Financial Quarterly Update

Mr. Ciaccia mentioned that the Cleveland Department of Public Utilities is collecting at an appropriate rate of about 95 percent, but the receivables continue to go up. He noted that these are considered assets but when talking about rates, they become liabilities from a communication and public relations standpoint. Mr. Ciaccia questioned how the inactives can either be put in the proper context or be reduced. Kenneth Duplay, Chief Financial Officer, agreed and noted that it is important to analyze the accounts receivables balances and mentioned that the District has procedures in place to prevent certain types of accounts from going inactive. In addition, there are procedures with the City of Cleveland to identify property transfers sooner to make sure the proper

accounts are getting billed. Mr. Duplay noted that the District will continue to analyze accounts receivable to make sure there is a full understanding of those numbers.

## 2. 2019 Operations and Maintenance Quarterly Update

Frank Foley, Director of Operation & Maintenance (O & M) began his update by thanking John Gonzalez, Communications Manager, for updating the format of the report. Mr. Foley updated the Board on safety, effluent quality, maintenance, costs and morale and noted that Doug Reichlin, Deputy COO will provide the Board with an update on Operational Readiness. Mr. Foley presented the Board with slides that provided the lost and restricted work days, which are up significantly from where he would expect them to be at this point in the year. The target DART rate or number of incidents per 100 full-time employees working for a whole year and resulting in lost or restricted days is 2.0. The actual DART rates for the District overall and the O&M Department are both above the target currently. He said he is expecting this number to come down throughout the course of the year as the District builds up the number of worked hours.

Moving on to the 2019 Health and Safety Group, to reduce risks the group is preparing a reference guide for supervisors, working on a hazard awareness and responsibility training for new managers and supervisors, developing and administering a basic safety training – calling it Safety 101 and 102 for all new employees.

Next, Mr. Foley briefly updated the Board on effluent quality for the first quarter, providing slides showing total suspended solids at each of the three plants on a monthly basis all under the limits. Also, carbonaceous biochemical oxygen demand and phosphorus are all under the limits at each of the plants. Bacteria limits are in effect from May 1<sup>st</sup> to October 31<sup>st</sup> so there are no effluent E. coli results at the plants to report for the first quarter. Mr. Foley discussed dry weather overflow minimization prevention and provided the Board with dry weather overflows that occur on a monthly basis, eleven for 2018. There were no dry weather overflows during the first quarter of 2019.

Mr. Foley noted that for the first quarter of the year, the automated wet weather equipment was available during wet weather 100 percent of the time.

Mr. Foley presented the Board with a slide to provide the District planned maintenance activities, showing 2018 versus 2019 year to date around the 70 to 90 percent range.

Looking at budget performance for 2019, Mr. Foley noted that the total budget for all the O & M budget centers is \$64,400,000.00. Mr. Foley explained that the District is currently below budget on the actual spending for 2019. Some of this is due to timing.

Mr. Foley concluded his report by briefly discussing the potential issues that could be impacting employee morale. The union contracts are finished and ratified. He mentioned that it might take some time for Operational Readiness to be implemented and to get everyone on the same page. One of the changes is the strategies for incineration both at Westerly and at Southerly. Looking at the primary sludge de-gritting facility at Southerly, this facility is at the end of its useful life and

it makes sense to decommission it. Mr. Foley stated that there is some disagreement, but an analysis shows that the cost savings that will be achieved by not rebuilding the facility will far outweigh any incremental increase in maintenance costs caused by the increased wear on equipment downstream.

## II. Operational Readiness Implementation Update

Doug Reichlin, Deputy COO, provided the Board with an update on the Operational Readiness Implementation (ORI). Mr. Reichlin explained that the idea is to get people, processes and performance elements working together and when they do, ultimately you get the whole organization working towards a common purpose and the result is a sustainable and continuous improvement in the operation. Mr. Reichlin next stated there are up to 97 discrete tasks in the ORI tracking- 21 of those tasks are completed, and the others are still in progress. There is an aggregate savings of \$2.2 million per year, that is on an ongoing basis for the next 20 years plus. Mr. Reichlin presented the Board with a picture of the list of 97 documents in the categories of: people, process, and performance and he provided examples of each. There is a tracking system color coded for whether they are behind schedule, on schedule or complete. Mr. Reichlin discussed a business case evaluation of the primary sludge de-gritting facility that Mr. Foley mentioned. The facility is 30 years old and was initially put in to support the Zimpro process. It was expected to be decommissioned after Zimpro was shut down and the new REF was initiated but for some reason that was put off year after year. A rather thorough evaluation was done to support a decision but in order to do that, the District had to step back and examine the grit removal process across the whole plant. About 3 or 4 years ago a project was completed to upgrade the headworks grit removal and with some additional operational optimization, a baseline was established on how much grit each of these processes was removing and how much remains that goes downstream to the REF facility. Then, a 6 to 12-month trial period was implemented where the PSD facility was bypassed to try and gauge what direct impacts there might be before a final decision was made. The outcome was that the PSD facility costs do not justify rebuilding it and the ongoing operation and maintenance costs. The financial numbers to support this analysis are that there is a savings of about \$17.7 million net present value savings or the equivalent of \$1.2 million per year.

Next, Mr. Reichlin presented the Board with a graph to discuss the hourly electrical consumption of 2018 for the second stage aeration process. The graph shows a trend down and then a big drop down in January of 2019. The 2018 run rate was about \$1,472,000.00 per year spend for that facility. This number is now under a million dollars a year in spending which is about \$473,000.00 a year in savings that can be carried into the future. Mr. Reichlin concluded his report by discussing other energy conservation opportunities the District's pursuing such as Fluidized Bed Incinerators (FBI) the Prius mode and many more conservation opportunities to come.

## VII. Open Session

There were no items.

## VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

There were no items.

X. Adjournment

**MOTION** – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Ms. Dumas seconded the motion to adjourn at 1:29 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