

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
MAY 7, 2020

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:

The COVID-19 pandemic continues to be a matter of serious concern and remains a state of emergency. As such, the District is again conducting its Board meeting via live stream videoconference using the Zoom video communications tool; and pursuant to House Bill 197, members of the public may have access to the meeting using the Zoom login link found on the top of the District's website, www.neorsd.org, to watch the Board's discussions and deliberations through the videoconference.

The District issued a public notice that regularly scheduled meetings will be held electronically until the emergency ends, and with specific login instructions for the public posted on the District's website. The notice and login also informed members of the public who wished to address the Board to make such request known to the Chief Executive Officer through the Zoom system prior to the start of the meeting.

I. Roll Call

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

ABSENT: Sharon Dumas

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

II. Approval of Minutes

MOTION – Mr. Sulik moved, and Mr. Joyce seconded to approve the Minutes of the April 16, 2020, Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

There were no items.

IV. Chief Executive Officer's Report

Kyle Dreyfuss-Wells, Chief Executive Officer, advised the Board that the District's focus continues to be protecting its employees and maintaining critical infrastructure services during the COVID-19 pandemic. In accordance with the Stay Safe Ohio Order, the District formed a Reconstitution Team which is focused on service, safety, and communication, while assessing how District staff will perform their duties and return to working onsite in the coming months.

In terms of service, the District will continue to provide its essential service of protecting public health and water quality while providing a safe and healthy workplace for its employees. While the current alternative arrangements will not continue indefinitely, employees working remotely or on modified schedules will do so as long as necessary. Any return to District facilities will be based on the ability to ensure social distancing and other appropriate safety measures. The Reconstitution Team is working diligently to create a plan for the next six to twelve months.

The District will continue to ensure that safety protocols distributed by federal and state agencies are executed while remaining adaptable. The District has demonstrated its ability to do so in adopting the various policy changes that have been issued regarding the use of face coverings and the evolving symptoms of COVID-19.

The District will continue to assure the appropriate scope and frequency of its communications to address employee concerns in a timely manner. All managers understand that they are responsible for communicating information to employees and all employees understand their responsibility to stay up to date with the evolving COVID-19 policies.

This week, the District updated its face covering policy based on the governor's orders, making them mandatory with a few exceptions. Detailed information regarding this policy is available on the District Intranet.

The District continues to evaluate its budget projections based on various scenarios, while still taking a very conservative approach by preparing for the potential loss of between 20% and 30% of revenue this year. The District is updating those projections as information on consumption and collections for April becomes available. The Finance Department has worked with the directors of Engineering & Construction, Watershed Programs, Operation & Maintenance, and IT to develop a list of projects to postpone, totaling \$12.5 million in sewer projects and \$3.8 million in stormwater projects, as the revenue implications become clear.

The District is working with NACWA at the federal level, focusing on funding for utilities across the country to make utilities whole based on revenue loss; grants through SRF and WRDA to fund infrastructure; and the District's ongoing efforts to support the adoption and funding of a low-income customer assistance program.

The District is exploring a partnership with the US EPA and Ohio EPA Office of Research and Development to provide samples from its wastewater plants to determine whether it could potentially serve as an early warning of a COVID-19 outbreak in the community. At this stage,

the research that the District may take part in is not to evaluate the viability of the virus in wastewater or the possibility of transmission of the virus through wastewater. The US EPA is evaluating those issues and has asked the District to participate, however, it is early-stage research and the current focus is on the ability to predict an outbreak. Ms. Dreyfuss-Wells emphasized that the CDC currently has no evidence that COVID-19 is transmitted through wastewater and the District continues to assume, as it always has, that wastewater contains a variety of pathogens and practices proper safety procedures and use of PPE.

Ms. Dreyfuss-Wells closed her report by announcing the hiring of the District's new Director of Human Resources, Elizabeth Brooks, and inviting her to address the Board. Ms. Brooks introduced herself and indicated that she has 20 years of experience in IT, talent management, and human resources, primarily with large manufacturing companies but also as a consultant. She has been working with the District in a consulting capacity for the past eight months and is looking forward to working with the District full-time. President Brown welcomed Ms. Brooks to the District.

V. Action Items

Authorization to Advertise

Resolution No. 129-20 Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the Westerly Steam Grease Handling Boilers Replacement project with an anticipated expenditure of \$835,000.00.

MOTION – Mr. Sulik moved, and Mr. Joyce seconded to adopt Resolution No. 129-20. Without objection, the motion carried unanimously.

Authorization to Issue Request for Qualifications (RFQ)/Request for Proposals (RFP)

Resolution No. 130-20 Authorization to issue an RFQ for identification of software solution packages and a subsequent RFP for implementation of the selected software solution, in accordance with Ohio Revised Code Chapter 6119, under the Project Lifecycle Management System Project.

Resolution No. 131-20 Authorization to issue an RFQ, in accordance with Ohio Revised Code Chapter 6119, for the Comprehensive Cost of Service Rate Design Study for both sewer and stormwater services, Affordability Analysis and related services for years 2022 through 2026.

Resolution No. 132-20 Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for software and professional services for the Computerized Maintenance Management System (CMMS) – Oracle EBS Interface Implementation project.

Resolution No. 133-20 Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 153, for professional design services and construction administration/resident project representation services under the Westerly Sludge Pump Station and Force Main project.

MOTION – Mayor Bacci moved, and Mayor Alai seconded to adopt Resolution Nos. 130-20 through 133-20. After the following discussion, without objection, the motion carried unanimously.

President Brown asked for additional explanation regarding Resolution No. 131-20, including noting the need to advocate for financial relief to the District, as well as its customers in light of the lasting impacts of the COVID-19 pandemic. Ken Duplay, Chief Financial Officer, advised the Board that the District is in the second to last year of its existing rate cycle, with approved rates through 2021. This RFQ is to seek a firm to assist in developing rates for 2022 through 2026 by assessing sewer and stormwater rates together, their combined impact on customers, as well as issues related to elasticity effects of economic factors on District customers, and affordability will be a large part of that.

Mr. Duplay added that these are uncertain financial times for the District and its customers. The intended timeline of this project is to have proposals by late June, award a contract in August, begin the project in the fall, and have a draft report completed early 2021. This should allow time to have more clarity regarding the District's financial situation, the economy as a whole, and impact on customers before discussing potential rate changes for the next cycle.

Constance Haqq, Chief Administrative Officer, added that the District has an ongoing outreach effort for its customers and the public in general to help them understand what the District does and why it is so important. Although it is uncertain what the climate will be next spring, the District would like its customers to know that their resources are used for the benefit of the community; the District intends to have transparency surrounding any proposed and approved rate changes resulting from the rate study, making customers aware of the reasons for and the benefits of any rate changes; and the District wants to emphasize that its rate and affordability programs and cost saving measures are ongoing and available to assist customers in paying their sewer and stormwater bills.

The District will continue its outreach to the Board, elected officials, organizations, and customers. The District has a strong social media presence and will continue to use that platform for public outreach. The District is assessing the possibility of virtual opportunities to bring people together in an interactive way.

President Brown emphasized that because of this unprecedented financial situation due to COVID-19, he wants the District to do everything in its power to ensure that the federal government is aware of the District's needs to be fiscally sound and strong to operate, and that they need to provide support to the District's ratepayers during this very challenging time.

Ms. Dreyfuss-Wells thanked President Brown for his comments and indicated that this is how the

District has been approaching both the federal and state government and will continue to carry that forward, to articulate the revenue loss, impact to District customers, the long-term uncertainty, and the necessary function that the essential infrastructure provides.

President Brown asked for additional information regarding Resolution No. 132-20, asking if it is a companion item to another recently approved resolution. Mohan Kurup, Director of Information Technology, explained that the earlier resolution was the approval to implement the NexGen Asset Management software (CMMS). The system that is being replaced is Oracle Work Asset Management which needs to communicate with Oracle EBS financial system. This resolution authorizes an RFP to solicit proposals to build the interface between the new CMMS system and Oracle EBS system to sync the necessary data between the inventory, purchasing and finance modules.

Authorization to Enter Into Agreement

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| Resolution No. 134-20 | Authorization to enter into a loan agreement with the Ohio EPA and the Ohio Water Development Authority to accept WPCLF funding for design costs related to the Brookside Culvert Repair project for a total amount up to \$1,675,541.33. |
| Resolution No. 135-20 | 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 Doan Valley Regulators/Relief Sewers project for a total amount up to \$2,927,952.99. |
| Resolution No. 136-20 | Authorization to enter into professional services agreement with Soluient Technologies, LLC for Radiation Consulting Services in an amount not-to-exceed \$500,000.00. |
| Resolution No. 137-20 | Authorization to enter into a three-year agreement for software maintenance and support with Ask Reply, Inc. for B2GNow Software necessary for the District's Business Opportunity Program in the total amount of \$109,483.00. |
| Resolution No. 138-20 | Authorization to enter into a reimbursement agreement with the City of Cleveland for the District to perform pavement improvements on Literary Road for the City under the District's Miscellaneous CSO Improvements project and to be reimbursed by the City in an initial amount not-to-exceed \$250,000.00. |
| Resolution No. 139-20 | Authorization to enter into a cooperative agreement with the Cleveland Metroparks for the Metroparks to perform its Whiskey Island Trail project in coordination with the District's performance of the Westerly Tunnel Dewatering Pump Station and Westerly Chemically Enhanced High Rate Treatment projects. |

MOTION – Mr. Sulik moved, and Mr. Joyce seconded to adopt Resolution Nos. 134-20 through 137-20 and 139-20. After the following discussion, without objection, the motion carried unanimously.

MOTION – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution No. 138-20. By roll-call vote with abstention by President Brown, without objection, the motion carried unanimously.

President Brown requested a brief overview regarding the work associated with Resolution No. 135-20. Devona Marshall, Director of Engineering and Construction, explained that this is the last component of the larger Doan Valley Tunnel system. The Doan Valley Tunnel system will control 350 million gallons of annual discharge to CSOs tributary to Doan Brook or the culvert. Removing that flow from that system will provide some capacity and relief within the Doan Brook. This system will also provide capacity relief to the District's Doan Valley interceptor. This project specifically will keep more flow in the collection system and divert it into the tunnel rather than the brook and culvert through regulator modifications.

Authorization to Amend Agreement

Resolution No. 140-20 Authorization to Amend Design-Build Agreement No. 19003913 with US Communications and Electric, Inc. for the Easterly/Southerly Fiber Replacement project to incorporate a Guaranteed Maximum Price of \$3,598,424.00 for construction, thereby bringing the revised total agreement amount to \$3,843,007.00.

MOTION – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution No. 140-20. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 141-20 Authorization to enter into a three-year contract for Renewable Energy Facility Mercury Scrubber Services with sole source equipment manufacturer EnviroCare International, Inc. in an amount not-to exceed \$175,000.00.

Resolution No. 142-20 Authorization to enter into a two-year contract with Reliable Basement & Drain, LLC for Hydrovac & Jetting Services at the District's Green Infrastructure sites in an amount not-to-exceed \$102,021.92.

Resolution No. 143-20 Authorization to enter into a construction contract with Sterling Professional Group for the GJM 2nd Floor Technical Services Group Area Renovations project in an amount not-to-exceed \$281,639.50.

MOTION – Mayor Bacci moved, and Mayor Alai seconded to adopt Resolution Nos. 141-20 through 143-20. Without objection, the motion carried unanimously.

Property Related Transaction

- Resolution No. 144-20 Authorizing the District to deposit additional funds with the Cuyahoga County Probate Court per court settlement reached under the District’s appropriation action for a permanent subterranean easement on property known as PPN 004-26-012, located on Abbey Avenue, in the City of Cleveland, owned by 2041 West, LLC, et al, necessary for the construction and maintenance of the Westerly Storage Tunnel project, in the additional amount of \$6,550.00 for a total settlement amount of \$7,500.00.
- Resolution No. 145-20 Authorizing the District to acquire one permanent stormwater easement on property known as part of PPN 862-23-001, located on Stonecreek Drive, in the City of Mayfield Heights, owned by the Stone Creek Homes Association, necessary for the construction and maintenance of the Mayfield Heights Unnamed Tributary to Chagrin River Bank Stabilization on Stonecreek Drive project with total consideration of \$1.00.
- Resolution No. 146-20 Authorizing the District to acquire one parcel in fee simple on property known as PPN 581-07-005, located at 8282 Briarwood Drive, in the City of Broadview Heights, owned by Tammy Sakacsi, necessary for the construction and maintenance of the Chippewa Creek Flood Reduction Project Near Echo Lane project, to enter into an Assignment and Assumption Agreement with the Western Reserve Land Conservancy, and to allow for the entirety of the payment plus closing costs to be disbursed to Ohio Real Title Agency, LLC with total consideration of \$208,000.00 plus closing costs.
- Resolution No. 147-20 Authorizing the District to acquire two parcels in fee simple on property known as PPNs 133-09-001 and 133-09-018, located on Aetna Road and East 77th Street, in the City of Cleveland, and one temporary easement located on property known as being a portion of PPN 133-09-019, located on East 77th Street, in the City of Cleveland, owned by D&B Realty Holdings Co., Ltd., necessary for the construction and maintenance of the Miscellaneous Combined Sewer Overflow Improvements project with total consideration of \$6,500.00.

MOTION – Mr. Joyce moved, and Mayor Bacci seconded to adopt Resolution Nos. 144-20 through 147-20. After the following discussion, without objection, the motion carried unanimously.

President Brown asked for additional information regarding Resolution No. 146-20. Frank Greenland, Director of Watershed Programs, provided a series of slides to explain the project and demonstrate the areas of land involved. Mr. Greenland indicated that this is a \$10 million construction project, with multiple parcels that the District is in negotiations for to advance the project. Components of the project include an existing detention basin in North Royalton which will be expanded to provide additional flood relief. The second part of the project will involve replacing a culvert to provide additional capacity. Downstream, there is an open channel that will require stream restoration. It is a complex project that is currently at 30% design and if property acquisitions and easements hold, it is anticipated that basins will be constructed during 2021 and 2022.

Authorization to Assign Agreement

Resolution No. 148-20 Authorization to Assign Agreement No. 17000846 with Air Compliance Testing, Inc. to Montrose Air Quality Services, LLC, for air emissions testing, relative accuracy test audits, cylinder gas audits, and related consulting services with all current terms and conditions of the Agreement to remain unchanged under the assignment.

MOTION – Mr. Sulik moved, and Mayor Alai seconded to adopt Resolution No. 148-20. Without objection, the motion carried unanimously.

Authorization to Enter Into Settlement Agreement

Resolution No. 149-20 Authorizing the District to enter into a settlement agreement with Miceli Dairy Products Company to provide a sewer account credit of \$350,670.18, reflecting adjustments to the industrial high-strength surcharges on Miceli's account in 2017, 2018 and January through July 2019, and including a release of any further claims for account adjustments for sewer charges prior to and including the October 2019 billings.

MOTION – Mayor Bacci moved, and Mayor Alai seconded to adopt Resolution No. 149-20. After the following discussion, without objection, the motion carried unanimously.

President Brown commented that he recalls a representative from Miceli Dairy addressing the Board and requesting additional evaluation of their account. The District committed to working with the company and the Board's consent facilitated that. President Brown indicated that he was pleased that the District was able to achieve a good outcome for a business in the community.

Additionally, Miceli Dairy has agreed to participate as an industrial class customer in the upcoming rate study process.

The District Board received a letter from John Miceli, President of Miceli Dairy, thanking the Board and staff for considering this matter. Mr. Miceli also noted the company's role as a continuing integral part of Cleveland manufacturing and Miceli's intent to participate in future rate-study discussions.

VI. Information Items

President Brown acknowledged that the Financial Report and Investment Advisor Performance Report for the Three-Month Period Ending March 31, 2020 had been provided and invited any questions for Mr. Duplay or Ms. Dreyfuss-Wells. There were no questions.

Frank Foley, Director of Operation and Maintenance, provided the Quarterly Board Update.

Mr. Foley indicated that he would address four main categories in his presentation: safety, effluent quality, maintenance, and budget performance for the first quarter.

Mr. Foley provided a slide demonstrating the number of lost and restricted workdays for the quarter. The District has had 19 total lost workdays, which is a significant reduction since last year. Operation & Maintenance has implemented daily meetings between supervisors and frontline staff to review the day's tasks and focus on injury risk reduction. There has been one slip, trip or fall accident leading to lost time in 2020.

Mr. Foley provided a chart regarding the District's DART rate. The DART rate is the number of incidents per 100 full-time employees that result in lost or restricted workdays. The District's target rate is 2.0, which has currently been met both in O&M and District-wide.

Regarding effluent quality, as for total suspended solid results, carbonaceous biochemical oxygen demand, and phosphorus, all three WWTPs were beneath the limits for the first quarter. Mr. Foley noted that *E. coli* is not addressed in the first quarter, as it is only measured in the months of May through October.

On January 15, the Westerly plant had an exceedance of its oil and grease limit. It is a parameter that is measured every two weeks by grab sample. The limit is 10 milligrams per liter and there was a concentration of 13.8 milligrams per liter on that date. The cause of that exceedance was not identified.

As for dry weather overflows, there were none in January and February, but two in March, due to downstream blockages in the system. There was a total of 13 events in 2019.

The automated equipment wet weather performance is near 100%. There were incidences during storms on March 28 and March 29, wherein there were issues with instrumentation at a few sites due to high water levels.

Planned maintenance for the quarter, compared to last year, was down at some facilities and up at others. At the locations where it was down, this may have been due in part to adjusted staffing in response to the COVID-19 pandemic.

Mr. Foley presented a graph outlining budget performance. The budget for the 10 budget centers that make up the O&M Department for 2020 is \$64.6 million. Through March, \$13.6 million has been spent, which is nearly identical to first quarter 2019.

Open Session

There were no items.

VII. Public Session (any subject matter)

There were no items.

VIII. Executive Session

There were no items.

IX. Adjournment

MOTION – President Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved, and Mr. Sulik seconded the motion to adjourn at 1:21 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