

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JUNE 5, 2008

Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:31 p.m. by Mr. Brown.

I. Roll Call

PRESENT: D. Brown
T. Longo
R. Sulik
D. DePiero
A. Liberatore

Mayor Starr and Ms. Kelly were absent.

The Secretary informed the President a quorum was in attendance.

II. Approval of Minutes

MOTION – Mayor DePiero moved and Mr. Liberatore seconded that the minutes of the May 15, 2008 Board meeting and special Board session, be approved.

III. Public Session (no one registered to speak at the public session)

IV. Executive Director's Report

Executive Director Ciaccia advised the Board that there was no formal report for the meeting. Included in the Board packets was the Executive Director's One (1) Year Performance Goals Update which he discussed.

Capital Program

The Ten (10) Year Capital Program has been developed. The plan will be modified to include anticipated changes resulting from the Combined Sewer Overflow (hereinafter "CSO") program and Program Management.

Deputy Executive Director F. Michael Bucci will update the Board on the status of the Calfee audit. Ten (10) audit items are complete. Three (3) outstanding audit items are

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partially completed including development of an Emergency Contracting Policy, Contract Procedure Manual, and final layout of Oracle system project reports. These three (3) items are in draft form, and Mr. Bucci will be discussing these issues in greater detail during his Calfee Process Audit Update.

Two (2) RFPs were received for the Program Management consultant, and are currently being reviewed by staff. A recommendation for Program Management consultant will be made to the Board in July.

Camp Dresser and McKee was selected as the implementation consultant for the Asset Management Program. The scope of work for Asset and Program Management will be integrated.

Executive Director Ciaccia advised that the change order standards have been completed. The Governance Committee reviewed the policies and staff made a presentation to the full Board at the May 15, 2008 special Board session. The Bylaws are on the agenda for Board approval.

Stormwater

The Governance Committee began reviewing the court order to determine modifications needed in order to implement the District's Stormwater Management program. Executive Director Ciaccia advised that he will continue to update the Board on all matters related to stormwater.

External Affairs

Ms. Darnella Robertson, Government Affairs Manager, recently coordinated congressional visits in the course of the NACWA/WEF forum held in Washington D.C. wherein the District was represented by Executive Director Ciaccia, Mayor Starr, Ms. Kelly and Ms. Robertson.

Organizational Effectiveness

The District hired URS to develop its five (5) year Strategic Business Plan commencing in 2009. The District will present its Strategic Business Plan to the Board on August 21st.

The development for a management performance evaluation system continues and estimated completion is Fall 2008. All senior staff members have completed goals and objectives for 2008.

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Disadvantaged Business Program

Executive Director Ciaccia advised the Board that the District continues to work aggressively on the development of an affirmative action program. A special Board session is scheduled for June 19th to present the proposed Small Business Enterprise program.

Financial Objectives

Executive Director Ciaccia advised that the District continues to meet the three (3) financial objectives identified in his performance plan, remains below operations and maintenance projections, and has developed budgetary cost containment controls.

Board Relations

Communication and interaction between the Board and District staff has improved. Executive Director Ciaccia will continue updating Board members through monthly reports and address any questions or concerns as they arise. Executive Director Ciaccia was thankful for Board member's continued support. As a cooperative effort between the Board and staff, the District developed an Ethics policy, revised its Bylaws and has begun reviewing the court order to make necessary modifications to accommodate stormwater management.

Mr. Brown appreciated Executive Director Ciaccia's performance goals update. He suggested the District have a year end review to discuss all completed and pending issues. He complimented Board members and staff on its continuity and stability during this transition phase. Mr. Brown commended staff on its improved communications with the Board.

V. Consent Agenda

Mr. Brown advised the Board that there are no Consent Agenda items.

VI. Action Items

Authorization to Adopt Bylaws

Resolution No. 138-08

**Bylaws of the Board of Trustees,
Northeast Ohio Regional Sewer District.**

Mayor Longo commended Governance Committee members and staff on the time and effort put forth into amending the Bylaws. The Bylaws were presented to the full Board at the May 15, 2008 special Board session. Board members were given additional time to review the Bylaws and submit any comments, questions or concerns to staff no later than

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May 23rd. No changes have been indicated, therefore, Mayor Longo supports adoption of the revised Bylaws.

Mayor DePiero commended Mayor Longo and staff, and stated that the change order policy resulting from the Bylaws revision will benefit the rate payers as well.

Mr. Brown also commended Committee members and staff for undertaking this difficult task of revising the Bylaws. He was appreciative of the staff's ability to fully explain the Bylaws framework and its intended use.

MOTION – Mayor Longo moved and Mr. Liberatore seconded to adopt Resolution No. 138-08. Without objection, the motion carried unanimously.

Authorization to Purchase

No discussion ensued on Resolution Nos. 139-08 and 140-08.

Resolution No. 139-08

Furniture for the George J. McMonagle Building from Knoll Incorporated. Cost not to exceed \$114,000.00.

Resolution No. 140-08

Motorized Carts for Easterly and Southerly Wastewater Treatment Plants. Cost not to exceed \$59,597.20.

MOTION – Mayor Longo moved and Mr. Sulik seconded to adopt Resolution Nos. 139-08 and 140-08. Without objection, the motion carried unanimously.

Authorization to Advertise for Bids

No discussion ensued on Resolution No. 141-08.

Resolution No. 141-08

Westerly Wastewater Treatment Plant Generator Closure Plan Contract SPI-7. Engineer's Estimate: \$550,000.00.

MOTION – Mr. Liberatore moved and Mr. Sulik seconded to adopt Resolution No. 141-08. Without objection, the motion carried unanimously.

Authorization of Contract Modification

No discussion ensued on Resolution No. 142-08.

Resolution No. 142-08

Incinerator Repairs IR-12, Contract No. 3224, Contractor Hanna Zabriskie & Daron, Inc. Cost decrease of \$6,937.44 – Closeout Deduct.

MOTION – Mayor Longo moved and Mr. Liberatore seconded to adopt Resolution No. 142-08. Without objection, the motion carried unanimously.

Authorization to Issue Request for Proposals

No discussion ensued on Resolution No. 143-08.

Resolution No. 143-08

Issuance of RFPs for Court Reporter Services.

MOTION – Mr. Sulik moved and Mr. Liberatore seconded to adopt Resolution No. 143-08. Without objection, the motion carried unanimously.

Authorization of Donation

No discussion ensued on Resolution No. 144-08.

Resolution No. 144-08

Donation of obsolete Information Technology Equipment to RET3 Job Corp.

MOTION – Mr. Liberatore moved and Mr. Sulik seconded to adopt Resolution No. 144-08. Without objection, the motion carried unanimously.

VII. Information Items

I. Calfee Process Audit Response Final Report

Executive Director Ciaccia advised the Board that Mr. Bucci will present the Final Calfee Process Audit Response Implementation Report.

Mr. Bucci informed the Board that included in the agenda packets is a spreadsheet entitled “Calfee Process Audit Response”. Of the thirteen (13) identified items, ten (10) have been completed. There are three (3) outstanding issues and he began discussion on these remaining items.

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Emergency Contract Policy

An Emergency Contract Policy has been drafted for discussion at the July 17, 2008 special Board session.

Oracle System Project Cost Reports

The Board, Finance and IT Departments had an opportunity to review and comment on Oracle system's template. Contractor and Consultant invoices are currently being entered into the Oracle System project module. However, the District recommended deferring the reporting layout component until the newly hired Director of Engineering and Construction and future Project Manager have an opportunity to review Oracle's reporting elements.

Contracting Procedures Manual

A Contracting Procedures Manual has been drafted. The District recommended deferring this item to allow for feedback by the newly hired Director of Engineering and Construction and future Program Manager.

Mr. Bucci advised that both the Oracle System Project Cost Reports and Contracting Procedures Manual are anticipated to be completed upon the conclusion of Program Management – Phase 1, currently scheduled for completion in the first quarter of 2009.

This concluded Mr. Bucci's presentation. Mr. Bucci stated that he was available for any questions or comments from the Board concerning the Calfee audit, in which there were none.

Mr. Brown stated that integrity and accountability of the District is critical and stated that the Calfee Audit is an additional measure used to improve internal District processes, procedures and controls. He commended staff on its level of commitment used to complete the majority of audit items.

VIII. Open Session (no items on agenda)

IX. Public Session (no requests from the public)

X. Executive Session

Mr. Brown indicated there were no items for discussion at Executive Session.

XI. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Longo moved and Mr. Sulik seconded the motion to adjourn at 12:51 p.m. Without objection, the motion carried unanimously.



Dean E. DeFiero, Secretary
Board of Trustees
Northeast Ohio Regional Sewer District



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