

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
June 6, 2019

A Regular Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:38 p.m. by Darnell Brown.

I. Roll Call

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

ABSENT: S. Dumas

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

II. Approval of Minutes

MOTION – Mayor Bacci moved and Mr. Ciaccia seconded to approve the Minutes of the May 16, 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 series of large, dangerous tornadoes that hit the Midwest, including Dayton, last week caused significant damage to Dayton's wastewater treatment plant, which was under water, and the water treatment plant which lost power. Around 440,000 Dayton residents were impacted. The District received a request on Tuesday, May 28th from the Ohio Water/Wastewater Agency Response Network (OHWARN) to assist the City of Dayton by providing human resources and equipment. CEO Dreyfuss-Wells explained that OHWARN is a statewide water/wastewater agency response network which grew out of the 9-11 experience where the federal government prioritized the creation of these mutual assistance networks which exist in all 50 States. The District has been involved with OHWARN since the beginning of the program. The District evaluated the request and determined that five (5) District personnel could be sent as well as providing generators, which were the main need, and vehicles to accompany them. District employees spent three days in Dayton and were able to restore power

to the Miami Water Treatment Plant. Within three hours of arrival the team was able to restore water service to 197,000 residents and within 48 hours were able to restore water service to all 440,000 residents that were impacted. Columbus, Fairborn, and Montgomery County also responded. Through OHWARN the District is reimbursed for the cost of the assistance. CEO Dreyfuss-Wells mentioned that District employees responded fast and their hard work is recognized and appreciated. The Board also congratulated the team for a job well done.

Next, CEO Dreyfuss-Wells discussed the authorization the Board gave the District during the April 18th Board of Trustees meeting to shop for electricity and to enter into a contract with the highest ranked supplier. The District has partnered with Amerex, the District's energy procurement consultant, and contracted with WGL Energy Services for a three-year contract at \$9.5 Million, with a \$4.1 Million estimated savings over three years on electricity for Southerly, EMSC, GJM and 62 remote facilities. CEO Dreyfuss-Wells stated that 50% of the power will come from renewable wind and recognized Jacqueline Williams, Procurement Services Manager, and her team for all the hard work on this project.

CEO Dreyfuss-Wells continued by stating that on May 15th the US Forest Services awarded the District a \$61,020 Great Lakes Restoration Initiative (GLRI) Grant which will allow the District to plant 100 trees at 17 lots in Glenville and additional trees and shrubs at three of the District's existing green infrastructure (GI) sites - including Fairhill, MLK, Urban Ag and Fleet Avenue.

CEO Dreyfuss-Wells also mentioned that the District hosted the National Association of Clean Water Agencies (NACWA) Strategic Communication Conference in Cleveland on June 3rd and June 4th. There were 120 communications professionals in attendance. She stated that the conference was a success and thanked Constance Haqq, Director of Administration and External Affairs, and her team for all their hard work on this item.

CEO Dreyfuss-Wells concluded her report by providing the Board with the agenda for the June 22nd Press Event and introduced Ms. Haqq to provide the Board more information regarding the agenda. Ms. Haqq mentioned that the agenda will be revised due to Mayor Jackson confirming he will be a speaker at the conference and stated that the Cleveland Orchestra will also be performing at the event.

V. Action Items

Authorization to Issue Request for Proposals (RFP)

Resolution No. 136-19

Authorization to issue an RFP to implement the 2020 Green Infrastructure Grants Program for the Combined Sewer Area in an amount not-to-exceed \$2,000,000.00.

MOTION – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution Nos. 136-19.

Resolution No. 142-19

Authorization to modify Contract No. 14002954 with Baker Tilly Municipal Advisors for financial advisory services by extending the term of contract through December 31, 2019 and increasing the contract amount by \$75,000.00, thereby bringing the total contract amount not-to-exceed \$475,000.00.

Resolution No. 143-19

Authorizing the final adjusting change order for Contract No. 18006040 with Mark Haynes Construction, Inc. for the Bonny Banks Dredging project by decreasing the contract amount by \$102,589.00, thereby bringing the total contract amount to \$531,890.00.

MOTION – Mr. Sulik moved and Mayor Stefanik seconded to adopt Resolution Nos. 141-19 through 143-19. Without objection, the motion carried unanimously.

Sewer Use Code Matters

Resolution No. 144-19

Adopting the findings of the Hearing Officer with regard to sewer charges on the account of Ms. Jacqueline McFarquhar, Sewer District Hearing No. 19-014, that the customer's request be denied.

MOTION – Mr. Ciaccia moved and Mr. Sulik seconded to adopt Resolution No. 144-19. Without objection, the motion carried unanimously.

Authorization to Grant Credit

Resolution No. 145-19

Authorizing a credit adjustment to the sewer charges on the account of Park Synagogue Cemetery, 25760 Chagrin Boulevard in the City of Beachwood, in the amount of \$49,664.71, to be credited against the Sewer Account ending in 0003.

MOTION – Mayor Bacci moved and Mayor Stefanik seconded to adopt Resolution No. 145-19. Without objection, the motion carried unanimously.

Authorization to Assign

Resolution No. 146-19

Authorizing the assignment of District Contract No. 18006944 with Willis of Ohio, Inc. to Willis Towers Watson Midwest, Inc., due to a merger between the two entities, with all current terms and conditions of the contract to remain unchanged under the assignment.

MOTION – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution No. 146-19. Without objection, the motion carried unanimously.

Property Related Transaction

Resolution No. 147-19

Authorizing the District to acquire one parcel in fee simple located at 4473 Sprague Road in the City of North Royalton, and known as PPN 489-14-011, owned by Gary R. and Maria L. Coates, necessary for the implementation of the Big Creek Stream Restoration at Sprague Road in North Royalton project located on Big Creek, to allow for the entirety of the payment to be disbursed to Northstar Title Services with total consideration of \$210,000.00 plus closing costs, and to enter into a Lease Agreement with Gary R. and Maria L. Coates.

Resolution No. 148-19

Authorizing the District to acquire one parcel in fee simple located at 4485 Sprague Road in the City of North Royalton, and known as PPN 489-14-010, owned by Leon and Karen Jandzszak, for the implementation of the Big Creek Stream Restoration at Sprague Road in North Royalton project located on Big Creek, to allow for the entirety of the payment to be distributed to Northstar Title Services with total consideration of \$190,000.00 plus closing costs, and to enter into a lease agreement with Leon and Karen Jandzszak.

Resolution No. 149-19

Authorizing the District to acquire one parcel in fee simple located at 30026 Gates Mills Blvd. in the City of Pepper Pike and known as PPN 871-28-019, owned by Anita Iyer and Hitesh Chaudhari, for the construction of the Pepper Luce Creek Culvert Replacement/Rehabilitation at Gates Mills Boulevard project, to enter into a lease agreement with Anita Iyer and Hitesh Chaudhari, and to allow for the entirety of the payment to be disbursed to Innovative Title and Escrow Services, LLC with total consideration of \$530,000.00 plus closing costs.

Resolution No. 150-19

Authorizing the District to grant a slope easement located on a portion of PPN 522-17-002, a part of the Southerly Wastewater Treatment Center, to the Village of Cuyahoga Heights for its Canal Road Reconstruction project with total consideration of \$1.00.

MOTION – Mayor Stefanik moved and Mr. Ciaccia seconded to adopt Resolution Nos. 147-19 through 149-19. After the following discussion, without objection, the motion carried unanimously.

MOTION – Mr. Sulik moved and Mr. Ciaccia seconded to adopt Resolution No. 150-19. Without objection, by roll call vote, the motion carried with all present members voting yes and recusal from discussion and voting abstention by Mayor Bacci.

Mr. Brown requested further explanation on the parcels being acquired by the District, some with homes and some without, for the purposes of managing the Regional Stormwater Management Program (RSMP). Frank Greenland, Director of Watershed Programs, explained that the Board will see more of these acquisitions going forward as the District continues to implement stormwater construction projects across the service area. Mr. Greenland explained that two of these parcels are in the Big Creek area and the third is on the other side of town in the Pepper Luce Creek area. Mr. Greenland introduced Matt Scharver, Deputy Director of Watershed Programs, to provide more detail. Mr. Scharver mentioned that 31 of the member communities have riparian setback ordinances adopted out of the 55 member communities that are in the stormwater service area. In addition, all have floodplain ordinances, and all have stormwater management codes to protect lands that the District restores. The District always tries to interact with the community officials before any potential voluntary acquisition is done. This is done through the member community public officials first, then moves to the municipal engineers and service directors. The

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discussions then disperse throughout the local municipal staffs from the building commissioner, to planning commissions, and zoning officials that then understand the projects being done by the District and where they are located.

Mr. Scharver presented the Board with slides to show the first project and explained that there are two headwater streams that feed into the main branch of Big Creek and the City of Parma and North Royalton. He stated that there is roadway inundation in this area and there is flooding on West Sprague Road and Thornhurst Drive with four residential roads in total in this project area, in addition to systemic erosion along the headwater streams. Mr. Scharver presented the Board with slides that showed the northern branch and explained that West Sprague Road has an inter-community drainage issue as the drainage is flowing north to south. He stated that West Sprague Road is inundated during storm events with over nine inches of water on the roadway which makes it impassable at the culvert crossing on West Sprague Road which creates the potential for hydroplaning and is a public safety concern. All the roadside ditches along West Sprague Road are concrete lined. The delivery of stormwater runoff contains increased velocity as it rolls down the hill and tries to get into this small stream. The residential street south of West Sprague Road, Thornhurst Drive, also experiences similar overtopping. Mr. Scharver explained that the voluntary property acquisition with the two residential parcels on the corner of Thornhurst and Sprague were able to rectify these concerns. There is a culverted section of stream located in this area as well that is undersized, and this was identified through the Cuyahoga River North Stormwater Master Plan. He stated that the alternative selected will address the flooding on Sprague Road, reduce the overtopping and reduce the nine-inch threshold through the 100-year storm event. It will also address the Thornhurst Drive overtopping all the way to the 100-year event and the floodplain expansion will help address the systemic erosion downstream of Thornhurst Drive. These two property acquisitions will address erosion and two roadway flooding issues through improved operation and management of the regional stormwater system.

Mr. Scharver moved discussion to the Pepper Luce Creek Culvert Replacement/Rehabilitation Project at Gates Mills Boulevard which was brought to the District by a property owner that has portions of culverted regional stream through their property where they have observed sink holes overtop of the culverted stream. Stormwater Master Planning is under way for this area and some pre-design, advanced planning was done to try and address the failing regional stormwater system culverted stream. There is some existing stormwater detention at Gates Mills Boulevard and the District has coordinated with the City of Pepper Pike to expand the stormwater detention to address the downstream open channel erosion associated with this problem area. This parcel acquisition allows the District to address erosion, add active storage to the Pepper Luce regional stream system and address a failing culverted stream.

Mr. Brown mentioned the overview was good but raised the issue on the advent of the stormwater regulations and riparian setbacks, zones, etc. Mr. Brown was concerned with the member communities whether they have ordinances and whether they comply with them, as well as the District being the only entity positioned to monitor these issues. Mr. Brown stated that because Cleveland is at the bottom of every hill for most of these waterways, there is a great appreciation for what happens. Mr. Brown mentioned his concern that the District is creating some mitigation to an existing problem which may create development opportunities and that becomes a concern

for the District. Mr. Brown expressed interest in the District being able to provide updates on the process and on what the member communities are doing to help. He stressed the importance of the District remaining cognizant of the big picture.

VI. Information Items

I. Information Technology Update

Mohan Kurup, Director of Information Technology, provided the Board with a summary of the Information Technology (IT) goals for 2019. Mr. Kurup stated that IT had an information security project and that phase I wrapped up at the end of last year. A lot of recommendations and risks were identified by this project and remediating those and implementing the recommendations was one of the goals for IT. Updating the IT disaster recovery plan and developing a formal cyber incident respond plan along with completing the wide area network migration were also goals for 2019. Mr. Kurup explained that a cyber incident can be a piece of malware or a virus coming in and destroying data. IT also implemented additional UltiPro functionality which is included in the cloud-based application that Human Resources (HR) is moving to and is facilitating the WAM replacement. The WAM replacement is being led by the technical services group but requires significant infrastructure support. IT is also revising and improving the Change Management Process. This process includes any change to a system that will affect any employee of the District and defines how this is communicated in advance so that any concerns can be addressed. Change Management will be expanded to include all areas of the District in the future. Mr. Kurup explained that IT was also had the goal of improving internal customer interactions and implementing the Cherwell System. He explained that the Cherwell System is an incident tracking software that will eventually replace Track-It. Lastly, Mr. Kurup mentioned the goal of implementing and supporting systems and projects as defined by the CIP process. He noted that IT borrowed heavily from the Engineering and Construction department and wanted to put some structure around deciding what capital projects are done in the department. Mr. Kurup went on to say that there has been a history of underspend on the budget for IT and noted that this is due to IT accepting all projects that were proposed by the business, and budgeting for them. A new process has been implemented that scores those projects being presented by the departments that propose them and they are evaluated on several criteria. The projects are then looked at by the finance group followed by IT, which looks at the internal resources to determine what projects can be accomplished.

Mr. Kurup stated that these processes influenced what projects were taken on for 2019 and explained that the projects were classified into four areas. Eighteen of the projects were designated as "will complete" in 2019. Four of the projects were designated as "if time and resources allow", and eight of the projects were declined due to be a low priority and having a lack of resources or due to being determined to be part of another project. There were also five projects that were identified as not being projects, but because those items were of low enough effort or costs, they were converted to work requests.

Mr. Kurup noted that the current projects include the information security program which identifies risks and develops policies and explained that this project is not an IT project but a District-wide project and includes departments from multiple areas including the control network

and internal audit. The Info-Sec Workgroup has identified over 20 policies that need to be deployed, and the team developed a process by which they are drafted and escalated through the IT Director. The policies are reviewed by all the major departments including Legal, Operation and Maintenance, and the CEO, and then signed off on and communicated to the entire District and published on the Intranet. Two policies were published last month and three policies are to be published for the month of June.

Mr. Kurup noted that one of the major areas of information security is risk tracking for which a formal risk registry has been implemented. This registry is reviewed every month, and every risk has an executive owner and technical person assigned to it to keep those risks in the forefront of IT's vision.

Moving on to the WAN migration, which includes improving the circuits between District locations and replacing out-of-date hardware, Mr. Kurup explained that the speed of the circuit between the GJM building and the EMSC building has quintupled and this will help with duplicating and replicating data. He stated that the control network has backups and the window for those backups was approaching an untenable situation, but the WAN migration project is substantially complete with recognizable increases in speed and benefits. Many of the firewalls have been replaced between the control network and the business network.

Next, Mr. Kurup stated that the IT department worked together with the procurement department to build a dashboard to highlight items such as the top ten budget center spend amounts, top spend by vendor, and top ten spend by PO. The dashboard allows the procurement department to drill down into these areas and explained that the data comes from Oracle EBS which is updated twice a day and is much better than static reports, which are only run every once in a while, and then manually trying to find data that supports them.

Mr. Kurup noted that the business warehouse and cost savings project takes data from numerous sources, including the County, Board of Elections, census, and the District's internal Oracle EBS system. He mentioned that the benefit to this project is that it is a database with information meant to help the Finance Department reduce the aged Accounts Receivables of over 180 days, as well as moving the ratepayers into affordability programs they qualify for, whether it is age criteria or crisis criteria.

The Cherwell services management system was implemented last month. This system will replace Track-It, which is a piece of software that has been in use for almost 20 years at the District. This application was customized for District use and it improves incident handling and allows the District to respond to internal customers and their problems more quickly. It tracks whether the District is exceeding a Service Level Agreement (SLA) and alerts the manager.

Mr. Kurup discussed the UltiPro workforce and planning application that HR will be using for payroll and time keeping that went live last year with no major incidents. He noted that the learning and management system, which is also with UltiPro, went live at the beginning of this year and that this application keeps track of the employees that have or have not taken their training(s) and sends out reminders.

The Oracle EBS travel and expense took away a manual expense process and put it straight into the finance system, allowing for any travel and expense receipts to be uploaded to have more traceability and audit capability.

Next, Mr. Kurup discussed the intranet upgrade and stated that the District's intranet was old with a lot of outdated material making it difficult to navigate. He explained that the intranet was replaced with one built on the SharePoint online system which is part of Office 365. There were 70 participants across the District who helped guide how the intranet was going to be built and it was done very closely with the CCR department to make the navigation a lot more intuitive and allow the employees to get to the data and the information they need more quickly. It also allows departments to upload and maintain their own information by themselves to make sure the data is up to date. Mr. Kurup stated the District is putting together a governance body to make sure that the look and feel of the site remains intact and does not grow out of control.

Mr. Kurup discussed the two applications Oracle EBS and WAM, have improved disaster recovery potential, and stated that the District is now duplicating those databases between the GJM building and the EMSC building and that they have automated the process of failing over to the other building. Mr. Kurup explained that if a catastrophe were to happen to a particular application at this location and the server cabinet caught fire or a natural disaster happened and the data center was gone, the District could, with the push of a button, within a number of hours fail over to the duplicate the system that is up to date at EMSC and continue the running for those operation. This is an improvement from last year where it would have taken two to three days.

Mr. Kurup mentioned that Horizon LIMS, IPACS PIMS and EAQUAPRO EIMS are applications that IT has been working with the Watershed Programs Department analytics and water quality. These three applications will replace a Lablynx software that has been in place for 15 years. He stated that a lot of the functionality that was forced into Lablynx is integral to those applications and will bring the District more up to date software, giving those departments the tools, they need to do their jobs more efficiently.

The property interest application is used by multiple departments including Legal and E&C, and it tracks the information on land acquisitions, easements, etc. with some improvements being requested that IT is working on.

Mr. Kurup also discussed the recruiting and talent management in UltiPro that is currently being handled in Taleo and requires HR to double enter some data, and complicated interfaces between that product and UltiPro. By putting it into UltiPro, there will be one integrated system. He stated that, additionally, IT will be working with HR to implement performance and compensation management, and the time frame for that is currently being worked out. As with all systems, IT will be doing continuous business improvements to leverage these tools to their fullest extent.

There are three infrastructure projects in progress. SIEM is one that will help the District to monitor the logs of hundreds of devices across the network and flag suspicious or interesting events in the

logs that manually would be impossible and allow employees to react to situations and be proactive during security threats.

Mr. Kurup went on to discuss the AVAYA phone system across the District which has reached its end of life. IT will be upgrading the back end and replacing the firmware and virtualizing the servers to bring it up to speed. IT will also be adding disk storage to the storage area network at GJM to accommodate the duplication of databases and the storage needs of new and existing applications. Mr. Kurup noted that Office 365 is more than just email. There are numerous applications that come along with Office 365 and arrangements are being made to release them as well as train the staff to use them properly.

Moving on to enterprise content management, Mr. Kurup noted that all the District's departments store documents, refer back to documents, or need to search documents, and IT has started a project to look at the requirements of all the departments across the District. Mr. Kurup also discussed the customer relation management software, ITL, which is an in-house written application that CCR has been using but will be replaced soon that will help improve the interaction with the District's ratepayers and external customers.

Mr. Kurup concluded with the Energycap software that is used by the District's sustainability office. This software monitors the District's utility spend, including gas and electric, and allows staff to make evaluations on how to lower the District's footprint and how to become more efficient.

Mr. Brown voiced his concerns with the level of preparedness by the District to respond to an attack of District security systems, including malware. Mr. Kurup explained the District does have a mandatory phishing training for all employees, which has allowed employees to become much more savvy and able to spot these kinds of threats. Mr. Kurup stated that even though it is impossible to do a one hundred percent prevention, IT can mitigate the risk and have a planned response when that does happen in order to make sure the District's data is backed up in a way that if something comes in, staff can respond to it quickly.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

Review negotiations with District employees concerning terms and conditions of employment.

Mayor Bacci moved pursuant to Ohio Revised Code Section 121.22(G)(4), to enter into Executive Session to prepare for and review negotiations and bargaining sessions with District employees

concerning their compensation, and other terms and conditions of employment. Roll call vote: all yes, entered into executive session at 1:19 p.m.

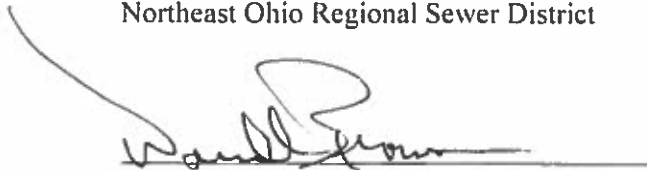
Following executive session, the Board returned to regular session at 1:41 p.m.

X. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Mayor Stefanik seconded the motion to adjourn at 1:42 p.m. Without objection, the motion carried unanimously.



Timothy J. DeGeeten, Secretary
Board of Trustees
Northeast Ohio Regional Sewer District



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