

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JUNE 7, 2018

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 Mr. 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, Mr. Sulik, that a quorum was in attendance.

II. Approval of Minutes

MOTION – Mayor Bacci moved and Mayor Stefanik seconded to approve the minutes of the May 17, 2018, 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 on May 18, President Brown and Cleveland Councilman Zone joined staff for the groundbreaking ceremony for the Westerly Storage Tunnel Project. This is a \$135 million project that will reduce combined sewer overflow (CSO) volume by 300 billion gallons annually and is the first tunnel on the West Side.

The following weekend District staff released turtles back into Green Lake. A dredging project was completed under the Regional Stormwater Management Program (RSMP) during which Herps Alive -- a nonprofit partner -- handled the educational components and took care of the turtles for the time they were out of the lake.

The Suburban Council of Governments (SCOG) met on May 21. Mayor Renda of Moreland Hills turned over the president's role to Mayor Alai of Broadview Heights. The new officers also

included Mayor Ward of Lyndhurst as Vice President and Mayor Brennen of University Heights as the Secretary.

CEO Dreyfuss-Wells further indicated that the SCOG was provided with an update from Frank Greenland, Director of Watershed Programs, on the RSMP and Matt Scharver, Manager of Watershed Programs, discussed the Member Community Infrastructure Program. Doug Lopata also gave an update on Project Clean Lake and staff briefly outlined potential Consent Decree modifications. The next SCOG meeting is scheduled for October 23.

The District began Director Dialogues on May 29 under the Diversity & Inclusion Program. The event was hosted by the Young Professionals Employee Resource Group and was an opportunity for senior staff to interact in a casual setting with employees. The next Director Dialogue will be at EMSC on October 15.

Closing the report, CEO Dreyfuss-Wells stated that Yolanda Kelly, Communications Specialist, won the 2018 Graphic Design USA's American In-House Design Award for the work on Camp Clean Lake, which was launched last year as a week-long camp focused on clean water.

V. Action Items

Authorization to Advertise

Resolution No. 185-18

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for up to 2,200,000 dry pounds of Ferric Chloride Solution at all Wastewater Treatment Plants as a twelve-month requirement contract and an anticipated cost of \$485,000.00.

Resolution No. 186-18

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for up to 705,000 pounds of Liquid Emulsion Polymer Solution at all Wastewater Treatment Plants as a one-year requirement contract, with a District-option for two additional years and an anticipated annual cost of \$1,500,000.00.

Resolution No. 187-18

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the Southerly Second Stage Settling Improvements Project with an engineer's opinion of probable construction cost of \$44,750,000.00.

MOTION – Mayor Stefanik moved and Ms. Dumas seconded to adopt Resolution Nos. 185-18 through 187-18. After the following discussion, without objection, the motion carried

unanimously.

Mr. Sulik requested an explanation on Resolution No. 187-18. Devona Marshall, Director of Engineering & Construction, advised that this is the first major update to the Second Stage Settling Unit process at Southerly, which was put into place in the early 1980s. This project will replace the sludge collection equipment, the troughs, skimmings removal equipment, and polymer feed equipment, and includes major structural rehabilitation.

The traveling bridges will be replaced with circular collectors. The precast concrete troughs will be replaced with stainless steel and major rehabilitation will occur to the settling tanks themselves and to the existing tunnels that run underneath the facility and to the buildings associated with the facility.

Authorization to Issue Request for Proposals (RFP)

Resolution No. 188-18

Authorization to issue an RFP, to implement the 2019 Green Infrastructure Grants Program for the Combined Sewer Area in an amount not-to-exceed \$2,000,000.00.

MOTION – Mayor Bacci moved and Mr. Ciaccia seconded to adopt Resolution No. 188-18. After the following discussion, without objection, the motion carried unanimously.

Mr. Sulik inquired regarding the 2018 grants. Mr. Scharver explained that the eligible applicants for the grant program are member communities, nonprofits and businesses working in partnership with their communities. During past funding years up to \$4.7 million was awarded and resulted in the capture of 19 million gallons of stormwater -- above and beyond Title IV requirements.

The District reviews each applicant's design and makes sure that they meet the Title IV requirements under the program and monitor their operation. Staff reviews their operation and maintenance plan, which they must carry forward in perpetuity in terms of the GI features. Applicants are required after installation is complete to provide an annual inspection report on the operation maintenance plan, which staff inspects.

Mr. Scharver highlighted a couple of projects completed as of last year.

Mr. Ciaccia questioned how many Green Infrastructure (GI) sites are out there and whether any of the sites have degraded or had problems. Mr. Scharver indicated that 27 sites have been funded under the GI grant portion of that project and 4 more sites are coming online this year. All of the projects in the GI Grant Program have been maintained properly.

Authorization to Enter into Contract

Resolution No. 189-18

Authorization to enter into contract with Donnell Ford and Valley Ford Truck, Inc. for the purchase

of five utility trucks in the amount of \$241,640.00 and one utility box truck in the amount of \$46,896.00 for use at District Facilities for a total cost of \$288,536.00.

Resolution No. 190-18

Authorization to enter into a contract with GPD Group for design and construction administration/resident project representation services for the West Creek Bank Stabilization Project in Brooklyn Heights in the amount of \$1,541,030.00.

Resolution No. 191-18

Authorization to enter into a contract for professional services with The Imminent Group for the Planning and Budgeting Cloud Application Enhancement and Support Project in the amount of \$150,880.00.

Resolution No. 192-18

Authorization to enter into a contract with Cherwell Software for the Information Technology Service Management System and IT Asset Management Project in the amount of \$87,568.40.

Resolution No. 193-18

Authorize the District to enter into a professional service agreement with Tenable Protective Services for Construction Safety and Security Services for the various District Collection Systems and CSO Consent Decree Construction Projects in an amount not to exceed \$1,000,000.00.

Resolution No. 194-18

Authorize the District to enter into a construction contract with Triad Engineering and Contracting Company for the Doan Valley Relief and Consolidation Sewer Project in the amount of \$13,524,335.00.

Resolution No. 195-18

Authorize the District to enter into a contract with Lexington Insurance Company, Travelers Insurance Company, Safety National Casualty Corporation, and Chartis/National Union Insurance Company for the District Insurance Program in an amount not to exceed \$911,426.00 from July 1, 2018, through June 30, 2019, including allowance.

MOTION – Mayor Stefanik moved and Ms. Dumas seconded to adopt Resolution Nos. 189-18 through 195-18. After the following discussion, without objection, the motion carried unanimously.

Mr. Sulik referenced Resolution No. 190-18 and noted that the construction cost seemed high. Janet Popielski, SW Design & Construction Program Manager, stated that this project partially deals with the concrete flume along I-480 in Brooklyn Heights and major erosion issues adjacent to commercial properties.

The flume has started to collapse. The project will include ample coordination with the Ohio Department of Transportation (ODOT) because they initially built the flume. There is also an impediment to fish passage that will be addressed and other water quality issues.

The estimated construction cost is higher than usual for predesign, design and allowances. The District will be working adjacent to I-480 within the ODOT right-of-way and the steep slopes associated with Granger Road and the erosion along the commercial properties require additional geotechnical testing beyond normal.

Staff will coordinate with land owners in the area to accurately located a number of utilities. The contract contains allowances to deal with unknown issues regarding the landfill that will likely be encountered.

Moving to Resolution No. 193-18, Mr. Sulik questioned whether the services will be on an as-needed basis. Ms. Marshall affirmed and further advised that the project will provide security service for District staff, some inspectors and others on project sites in the remote collection systems, and specifically known high-crime areas.

Mr. Sulik requested an explanation for Resolution No. 194-18. Ms. Marshall stated that staff will be doing microtunneling and traditional tunneling along Superior Avenue and performing open-cut on East Boulevard. This project will send flow to the Doan Valley Tunnel, which is under construction and control about 100 million gallons of CSO. The contract award amount is just over \$13.5 million and includes about \$505,000 in specific allowances.

Authorization to Modify

Resolution No. 196-18

Authorization to modify Resolution No. 314-17 to amend the agreement with the Village of Newburgh Heights for the Arlington Avenue Sewer Separation Project to provide certain changes in scope, including an alternate method of removing stormwater from the existing combined sewer, with no change in the total agreement amount.

Resolution No. 197-18

Authorization to modify Contract No. 18002087 with Ernst & Young US, LLP for the Business

Intelligence Architecture Consulting Services by increasing the contract amount by \$164,560.00 bringing the total contract price to \$212,560.00 and extending the contract end date to December 31, 2018.

MOTION – Mayor Stefanik moved and Mr. Ciaccia seconded to adopt Resolution Nos. 196-18 through 197-18. Without objection, the motion carried unanimously.

Sewer Use Code Matters

Resolution No. 198-18	Authorization to adopt the findings of the Hearing Officer with regard to the sewer account of Mr. Richard Figer, Sewer District Case No. 18-011, that the customer's request be denied.
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MOTION – Mayor Bacci moved and Mr. Ciaccia seconded to adopt Resolution No. 198-18. Without objection, the motion carried unanimously.

Authorization to Grant Credit

Resolution No. 199-18	Authorize the District to issue a credit adjustment, due to an underground water leak, in the amount of \$83,880.90 against outstanding sewer charges on NEORS Account #4106991777 for Rich Management Company at 12509 Cedar Road, Cleveland Heights, Ohio 44106.
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MOTION – Mayor Stefanik moved and Ms. Dumas seconded to adopt Resolution No. 199-18. Without objection, the motion carried unanimously.

Authorization to Reject and Re-Bid

Resolution No. 200-18	Authorize the District to reject all bids for the Shaker Lakes Dam Rehabilitation Project.
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Resolution No. 201-18	Authorize the District to reject all bids and to re-bid the Dugway Regulators & Relief Sewers Project.
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MOTION – Mayor Bacci moved and Ms. Dumas seconded to adopt Resolution Nos. 200-18 through 201-18. After the following discussion, without objection, the motion carried unanimously.

Referencing Resolution No. 200-18, Mr. Sulik questioned why the engineer's estimate was off by 60%. Mr. Greenland explained that dam repairs of this nature are uncommon in Northeast Ohio

and there may have been certain design elements within the bid documents that are uncommon within Northeast Ohio. Staff has a strategy on how to separate this project and move it forward.

Ms. Popielski advised that these dams are over one hundred years old and the aim is to bring them to modern standards. Lower Lake and Horseshoe Lake are Class I dams and Green Lake is a Class II dam.

During design they were looking at utilizing roller-compacted concrete, which is very common in dam construction in the west, but less common in Northeast Ohio. District staff talked to a number of the contractors interested in the project and most of them did not submit bids -- only one bid was received. Staff identified that roller-compacted concrete was a major factor in the bids. She explained that staff is reevaluating the methodology on all of the dams and determine whether it is appropriate.

Mr. Ciaccia questioned inquired whether the Engineering Key Performance Indicator (KPI) of being within certain limits of engineer's estimates applies to these projects. Ms. Popielski stated that they do. The Watershed Programs Department is establishing its own KPIs for the RSMP based on Engineering and Construction's.

Mr. Ciaccia was concerned about two different KPIs, two sets of cultures and rigor as it relates to how engineer's estimates are put together. CEO Dreyfuss-Wells stated that there is one District and Ms. Popielski works with Engineering regularly. There is a lot to be learned from Engineering and the RSMP is being set up with that same level of rigor and culture.

The engineer's estimate was missed significantly on this project and staff is following the same procedures that Engineering would follow in terms of rejecting the bids and figuring out what the causes were.

Moving to Resolution No. 201-18, Mr. Sulik inquired why the recommendation is to reject the bids. Ms. Marshall explained that five bids were received for the project and the lowest bidder submitted an unbalanced bid. One particular line item had a dollar amount that was 95% under the engineer's estimate and between 87% and 97% lower than the other bids. They could not perform the work for the amount listed in the bid. Therefore, the bid was unbalanced.

The second and third low bidders did not submit enough information regarding their qualifications to fairly evaluate that they were qualified to perform the work. The fourth and fifth bidders came in 10% above the engineer's estimate.

Property-Related Transactions

Resolution No. 202-18

Authorize the District to enter into a License Agreement with Burton, Bell, Carr Development, Inc. for permission to erect two commercial signs on District-owned property at 8111 Kinsman Road in the City of Cleveland, part of the Urban-

Agriculture Zone, with a total consideration of \$1.00.

Resolution No. 203-18

Authorize the District to enter into an Access Agreement with Boyas Contributions, LLC for access onto District-owned PPN 522-11-019, located at the Southerly Wastewater Treatment Plant, for the purpose of the installation and sampling of two flush-mounted groundwater monitoring wells needed for the monitoring of the Boyas-owned landfill located north of the District property with a total consideration of \$1.00.

Resolution No. 204-18

Authorize the District to acquire one permanent stormwater easement and one temporary easement located on Wesley Drive in the City of Parma, and known as part of PPN 449-01-020 owned by the Twin Lakes Improvement Association, necessary for the construction and maintenance of the Lower Twins Lakes Dam Repair Project with a total consideration of \$680.00.

Resolution No. 205-18

Authorize the District to acquire two permanent stormwater easements and one temporary easement located at 5881 Twin Lakes Drive in the City of Parma, and known as part of PPN 449-01-019, owed by Paul A. & Elaine G. Newman, necessary for the construction and maintenance of the Lower Twin Lakes Dam Repair Project with a total consideration of \$435.00.

Resolution No. 206-18

Authorize a relocation payment to Curtis Cooper associated with the District's permanent acquisition of PPNs 124-18-071, 124-18-011, 124-19-023, 124-19-024 and 124-19-025 located at 6407 Grand Avenue in the City of Cleveland, necessary for the construction of the Woodland Central Green Infrastructure Project with a total consideration of \$7,525.00.

Resolution No. 207-18

Authorize the District to enter into a settlement agreement and to deposit additional funds with the Cuyahoga Probate Court in the amount of \$13,775.00 in order to obtain two easements located at 12655 Coit Road, Bratenahl, being part of

Cuyahoga County PPN 631-13-006 for the Dugway Storage Tunnel Project.

Resolution No. 208-18

Authorize the District to acquire one permanent subterranean easement located on a portion of PPNs 003-28-044, 003-28-045, and 003-28-046 located at 1505 W. 28th Street in the City of Cleveland, owned by W. 25th Street Lofts, LLC, necessary for the construction of the Westerly Storage Tunnel Project with a total consideration of \$5,800.00.

Resolution No. 209-18

Authorize the District to appropriate one permanent subterranean easement from a portion of PPN 116-20-020, located at 797 Wayside Road in the City of Cleveland, owned by Dwayne Smith and William Thomas, necessary for the construction of the London Road Relief Sewer Project and to deposit \$300.00 with the Cuyahoga Probate Court as consideration for the same.

Resolution No. 210-18

Authorize the District to acquire two permanent sewer easements and two temporary easements, located at 16320 St. Clair Avenue in the City of Cleveland, known as part of PPNs 116-20-002, 116-20-003, and 116-20-005, owned by Desai Vijay, necessary for the construction of the London Road Relief Sewer Project with a total consideration of \$6,050.00.

Resolution No. 211-18

Authorize the District to acquire one temporary easement located at 1435 East Blvd. in the City of Cleveland, and known as part of PPN 107-24-001, owned by PP-91 Limited Partnership, necessary for the construction of the Doan Valley Relief & Consolidation Sewer Project with a consideration of \$2,215.00.

Resolution No. 212-18

Authorize the District to appropriate one permanent sewer easement and two temporary easements located at 1319 East Boulevard and 10301 Churchill Avenue, located in the City of Cleveland, being part of PPNs 107-23-035 and 107-23-039, owned by Famicos Foundation, necessary for the construction of the Doan Valley Relief & Consolidation Sewer

Project and to deposit \$18,325.00 with the Probate Court as consideration for the same.

MOTION – Mr. Ciaccia moved and Mayor Stefanik seconded to adopt Resolution Nos. 202-18 through 212-18. Without objection, the motion carried unanimously.

VI. Information Items

1. Regional Stormwater Management Program Update

Mr. Greenland stated that in terms of inspection and maintenance, staff responds to problems from customer inquiries, community officials, internal inspections and are getting better at honing in on problem areas. Staff more repetitively visits these areas to perform preventative maintenance. The more wet weather, the more debris will get swept into streams.

During the first three years of the program four master plans will have been launched: Cuyahoga South, Cuyahoga River North, Rocky River, and the Chagrin River and Lake Erie Tributaries.

Almost all of the Lake Erie tributaries drainage is within the District service area and is highly urbanized. The significant issues in this area include a flood control structure along Euclid Creek that the Army Corp. built in the 1980s. There is an agreement between the City of Cleveland and the Army Corp. on maintenance responsibilities. The District will assume more responsibilities.

Mr. Greenland stated that a big issue is culverted streams from a flood control standpoint. The District has tasked this consultant with making sure the models stay together, so when the next big storm causes a problem, the consulting is completed and the problem can be analyzed to look for solutions.

The Cuyahoga River South Master Plan is expected to be completed later this year. Project recommendations are forthcoming for future design and construction projects.

The Cuyahoga River North Master Plan is 59% complete. The Stickney Creek area is a pilot priority area and staff are endeavoring to find early-action projects to minimize flooding in the Sam's Club area on Brookpark Road.

The Rocky River Master Plan is expected to conclude towards the end of 2019. Baker, Baldwin and Abram creeks were prioritized.

The number of credit applications increased a bit to between 1% and 2% of the customer base which was consistent with the consultant's expectations. Staff developed annual inspection report guidelines for stormwater control measures to assist larger, commercial and industrial customers with things they need to do in terms of maintenance to satisfy their credit obligations.

Cash flow is below projections but billings should increase.

Mr. Greenland summarized a number of projects moving to construction and stated that there are additional projects in the design queue. The master planning efforts will identify larger projects for the prioritization sequence.

Mr. Greenland stated that on July 10 District staff will meet with smaller businesses, MBEs and WBEs to discuss stormwater design opportunities.

Moving to the Community Cost-Share program, Mr. Greenland advised that the balance through April is \$17 million. While large communities such as Cleveland, Parma and North Royalton have utilized their cost shares, some smaller communities are saving their funds for large projects.

Mr. Ciaccia inquired whether they can only save it for five years. Mr. Greenland confirmed.

Mr. Ciaccia questioned whether metrics have been developed to make sure the District achieves certain outcomes. Mr. Greenland explained that staff does have metrics and are developing more.

Mr. Ciaccia further stated that it is difficult to say what is a normal year because the weather can vary from year to year, but there should be a way to develop metrics and calibrate them to wet years versus non-wet years. The District needs to be able to externally cite results other than financial metrics.

Mayor Stefanik stated that he receives significantly fewer phone calls related to flooding since the District's been in the community taking care of the issues.

Ms. Dumas stated that it is a good story with substantial progress, but staff will have to be creative with the metrics and how they are reported.

2. Biosolids Incinerator Ash Management Update

Frank Foley, Director of Operations & Maintenance, stated that the District has a new contract for management of biosolids incinerator ash with Kurtz Brothers.

Delilah Capeles, Operations & Maintenance Procurement Administrator, advised that ash is generated at two of the District's three treatment plants -- Southerly and Westerly. Sludge cake is incinerated at the fluidized bed incinerators, which produces approximately 33,000 tons of ash annually at Southerly. The ash is incinerated in the multiple hearth incinerators at Westerly, which produces about 1,900 tons of ash annually.

Southerly is by far the greater producer of ash due to its larger size and because Easterly pumps its sludge to Southerly for incineration. The Southerly ash is then pumped as a slurry to one of the three ash lagoons across Canal Road on site from Southerly, where it is dewatered or dried out. Once a lagoon is dry, the ash is excavated and hauled to a landfill for disposal. It takes approximately one year for a lagoon to be filled and dewatered to be ready for hauling and disposal.

At Westerly, the ash is pumped directly to trailers and then once they are full, they are hauled to the landfill regularly.

Historically, the District has managed ash by bidding for contractors to haul the ash to landfills. In recent years the District maintained two contracts for this service -- one at Southerly for the excavation, hauling and disposal of its ash and another at Westerly for its hauling and disposal.

Ms. Capeles stated that Southerly can produce up to 2,000 truckloads of ash annually and Westerly up to 200 truckloads. That is approximately \$1.3 million annually for Southerly and \$103,000 for Westerly.

Recently, the District embarked upon a plan to take on a new approach to ash management to reduce costs and the environmental impact of sending that ash to landfills.

In 2017, the District issued an RFP to partner with one vendor to manage the ash for Southerly and Westerly, with the primary goal of diverting the ash from landfills and providing beneficial use for it, while making sure that the operational needs of the plants are met.

The District recommended Kurtz Brothers for this contract based on their proposal, which included diverting the vast majority of the ash in the first year from landfill to beneficial use and all of the ash in the subsequent years of the contract.

The Board approved a three-year contract for \$3.8 million with Kurtz that included two one-year options to be negotiated and brought back to the Board for approval.

Kurtz Brothers offered EPA-approved beneficial uses for the ash. The majority of the ash will be added to a topsoil that Kurtz manufactures and sells. Ash is a good addition to topsoil because of its high nutrient content. The rest of the options will be used in smaller amounts for structural fill, recycled aggregate and a rooftop mix for vegetation. Kurtz will also explore options for producing custom products that can be utilized in District projects.

Ms. Capeles stated that using this ash instead of disposing at a landfill provides environmental and financial benefits. The ash is becoming a raw material instead of a waste product. The District is reducing its carbon footprint and will spend less on ash management.

The contract contains a revenue-sharing component that helps with the cost of ash management. The District will receive a one-dollar-per-ton rate in the first year of the contract.

Kurtz estimates that they will be able to beneficially use or recycle 40,000 tons of ash. The District would receive \$40,000 in revenue sharing during the first year. The revenue sharing for years two and three will be negotiated at that time based on the beneficial use ash market and additional data regarding the marketability of the products.

Mr. Ciaccia remarked that this is a perfect public-private partnership and inquired regarding the plan to market a good story that will save a lot of money. CEO Dreyfuss-Wells stated that staff

wants to make sure the figures were accurate and the expectations are met and then highlight the story.

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. Approval of Items from Executive Session


There were no items.

XI. Adjournment

MOTION – Mr. Sulik stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Ms. Dumas seconded the motion to adjourn at 1:38 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