

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
JUNE 18, 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:

Due to the COVID emergency, we are again conducting our Board meeting via live stream video conference 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 website, and those who wish to address the Board were able to make that request 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  
Sharon Dumas

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

II. Approval of Minutes

**MOTION** – Mr. Sulik moved, and Ms. Dumas seconded to approve the Minutes of the June 4, 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, reminded the Board that, as she had advised at the previous meeting, the District has completed reconstitution of staff at the wastewater treatment plants as well as much of the staff in Operation & Maintenance and the Watershed Programs Department at EMSC. Approximately 49% of District staff will continue teleworking until

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Governor DeWine changes his recommendation to continue telework, or until August 1, whichever is later. Ms. Dreyfuss-Wells noted that this is not a permanent arrangement, however, the reconstitution of employees who are teleworking will take same time, as it is not possible to bring all staff back onsite at the same time while allowing for proper social distancing and enhanced sanitation. The use of face coverings will also continue.

Ms. Dreyfuss-Wells moved her presentation to the Dugway Storage Tunnel (DST) project, informing the Board that the final adjusting change order was in the Board Packet. Along with the Euclid Creek Tunnel (ECT), the DST is the second of seven tunnels completed under the Consent Decree and it is the third of eight deep tunnels overall, including the Mill Creek Tunnel. The ECT was activated in July of 2018, with the startup of the Easterly Tunnel Dewatering Pump Station (ETDPS).

The full CSO control associated with the DST occurred on May 29, with the completion of the final connection from the East 140<sup>th</sup> Consolidation Sewer Project.

The ECT, DST, and ETDPS represent a \$416 million investment in clean water and the total combined control of 720 million gallons per year of CSO, across ten CSO outfalls in the Easterly area of the District. This equates to \$0.58 per CSO gallon. This number will improve in 2025 when the Shoreline Storage Tunnel becomes active, as it will also be dewatered by the ETDPS.

Ms. Dreyfuss-Wells invited Ken Duplay, Chief Financial Officer, to address the Board regarding revenue tracking.

Mr. Duplay advised the Board that the May monthly report was included in the Board Packet. Mr. Duplay advised the Board that operating expenses for both sewer and stormwater are running below budget and in line with the projections related to revenue. For sewer, the revenue is slightly below the target goal of 42%, primarily due to through-May consumption being down by 6% from 2019. The District budgeted for a 4% decrease. Mr. Duplay noted that the District is seeing increased residential consumption and decreased commercial consumption with a net effect of a 6% decrease for May.

Collections were relatively strong through April, and there was a small decline in May. The District is in the process of evaluating numbers and revising year-end projections of revenue and consumption based on new information. The District is maintaining a conservative stance to ensure preparedness.

Mr. Duplay added that the stormwater program is more susceptible to these financial changes, especially the collection rate, as it is a newer program without reserves similar to the sewer program. The District is paying close attention to the stormwater program to ensure that it has the needed funds to manage its projects and operate throughout the year.

Mr. Duplay concluded his presentation by adding that Resolution No. 183-20 is a request to adopt the 2021 budget and is an administrative step that allows the District to operate into March. The numbers presented in the proposed 2021 budget are taken from the current 10-year plan and do

not reflect any potential adjustments in response to COVID-19. As the District goes through its standard budget process in the fall, it will present a budget for adoption that will reflect any COVID-19-related impact on the 2021 budget.

V. Action Items

Authorization to Purchase

Resolution No. 172-20 Authorizing the purchase of laboratory chemicals and supplies, as needed, from sole source vendor Idexx Laboratories, Inc. in a total amount not-to-exceed \$150,000.00.

**MOTION** – Mayor Bacci moved, and Mayor Alai seconded to adopt Resolution No. 172-20. Without objection, the motion carried unanimously.

Authorization to Enter into Agreement

Resolution No. 173-20 Authorization to enter into a project agreement with West Creek Conservancy (WCC) to provide local match funding and contracting and technical support for the procurement, design and construction phases of the Mill Creek Stabilization and Floodplain Restoration in the Village of Highland Hills project with a District contribution toward project costs in an amount not-to-exceed \$150,000.00, and a WCC contribution toward the remaining costs of the project, currently estimated to be \$162,571.00 from the Ohio EPA Section 319(h) grant program.

Resolution No. 174-20 Authorization to enter into a professional services agreement with Wade Trim Ohio, Inc. for the Advanced Stormwater Planning project in an amount not-to-exceed \$1,000,000.00.

Resolution No. 175-20 Authorization to enter into a professional services agreement with EnviroScience, Inc. for Invasive Plant Species Assessment and Treatment Services for a two-year term in an amount not-to-exceed \$200,000.00.

Resolution No. 176-20 Authorization to enter into agreements with AIG/Lexington Insurance Company, Travelers Insurance Company, Ironshore, Inc., Berkley National Insurance Company, Safety National Casualty Corporation, and Chubb Limited for the respective portions of the District's operational insurance program for the period July 1, 2020 through June 30, 2021, as presented, in a total amount not-to-exceed \$1,169,626.00, including allowance.

**MOTION** – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution Nos. 173-20 through 176-20. After the following discussion, without objection, the motion carried unanimously.

President Brown asked for additional information regarding Resolution No. 176-20...

John Wasko, Risk and Internal Audit Manager, introduced Julie Reed from Willis Towers Watson and explained that the property and terrorism coverage market started deteriorating in 2019, leading to conversations starting in the fall, that the premiums would be increasing. Premiums continued increasing through the pandemic and there was a decreased desire from the market to take on additional risk. As a result, the District was having difficulty getting other insurers to participate.

Mr. Wasko invited Ms. Reed to discuss the District's risks and the market impact. Ms. Reed explained that the District was facing hurdles in the current climate, including coming off a three-year contract with AIG. Over those three years, there was some volatility and hardening of the market that the District had been insulated from because of the three-year contract. The District approached roughly 20 markets and only one was able to provide an indication of coverage and it was much higher than what AIG provided. Ms. Reed further explained that there are some changes to the terms and conditions, however, none were felt to be detrimental, the pricing was the most aggressive, and AIG was willing to take 100% of the risk, meaning that the District did not have to work with additional insurers, which would become an issue should there be a large claim.

Authorization to Enter Into Contract

Resolution No. 177-20                      Authorization to enter into five (5) two-year requirement contracts for boiler maintenance and repair services at all District facilities with sole source original equipment manufacturer factory-authorized representatives Roberts Mechanical, Energy Control, Boiler Specialists, and DB Johnsen, and Johnson Controls under the State of Ohio's cooperative purchasing program in a total amount not-to-exceed \$613,832.00, including allowance, to be utilized amongst each of the contracts as needed.

**MOTION** – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution No. 177-20. Without objection, the motion carried unanimously.

Authorization to Amend Agreement

Resolution No. 178-20                      Authorization to modify the 2019 Green Infrastructure Grants in the Combined Sewer Area Program grant award to Family Ministry Center for the Treatment Train to Community Development project, and authorization to enter into an amendment to the Green Infrastructure Grant Agreement with Family Ministry Center by including additional work scope and increasing the total agreement

amount by \$9,500.00, thereby bringing the total agreement amount not-to-exceed \$238,774.00.

Resolution No. 179-20 Authorization to amend Agreement No. 20002631 with Insight Enterprises, Inc. for SharePoint Hosting Services by extending the term for 18-months and increasing the agreement amount by \$157,034.70, thereby bringing the total agreement amount not-to-exceed \$832,835.94.

**MOTION** – Mr. Joyce moved, and Ms. Dumas seconded to adopt Resolution Nos. 178-20 through 179-20. Without objection, the motion carried unanimously.

Authorization of Contract Modification

Resolution No. 180-20 Authorizing final adjusting change order for Contract No. 14004219 with Salini Impregilo Healy JV for the Dugway Storage Tunnel project by decreasing the contract amount by \$4,625,340.90, thereby bringing the total contract amount to \$148,387,711.10.

**MOTION** – Mayor Bacci moved, and Mr. Joyce seconded to adopt Resolution No. 180-20. After the following discussion, without objection, the motion carried unanimously.

President Brown asked whether the decreased contract amount is due to unused general and special allowances. Devona Marshall, Director of Engineering and Construction, confirmed that that is the source of majority of the funds, however additional funds are being returned related to site restoration at some locations because the District decided to perform some services under a separate, more specialized contract.

Property Related Transaction

Resolution No. 181-20 Authorizing the District to acquire three parcels in fee simple on property known as PPNs 581-08-061, 581-08-062, and 581-08-064, located at 2693 Echo Drive, in the City of Broadview Heights, owned by Heidi A. Harris and Tammy L. Boyle, Trustees of the Harris Family Trust, necessary for the construction and maintenance of the Chippewa Creek Flood Reduction Project near Echo Lane, to enter into an Assignment and Assumption Agreement with the Western Reserve Land Conservancy, to enter into a lease agreement with Heidi A. Harris and Tammy L. Boyle, Trustees of the Harris Family Trust, 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 \$280,000.00 plus closing costs.

**MOTION** – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution No. 181-20. After the following discussion, without objection, the motion carried unanimously.

President Brown asked for additional information regarding Resolution No. 181-20, noting that this appears to be a parcel with a home on it, in area where the District is doing significant work to remediate flooding.

Frank Greenland, Director of Watershed Programs, provided slides demonstrating the area in question and explained that this is the second time that the District has come to the Board to approve a property acquisition for this project. This is an intercommunity issue between North Royalton and Broadview Heights in a larger project area. Resolution No. 181-20 is requesting to obtain 3 parcels. In total the District would like to obtain 6 parcels and there will be numerous easements required to complete the project.

Mr. Greenland further explained that this is a multifaceted project involving expanding a stormwater detention basin, replacing and upsizing a culvert, floodplain recovery, and daylighting a culverted stream.

The total construction costs are estimated at \$10 million and the project will be dependent on the District's ability to acquire parcels and easements.

#### Sewer Use Code Matters

Resolution No. 182-20      Adopting the findings of the Hearing Officer with regard to the sewer charges on the account of Mr. Rodrick Ross, Sewer District Hearing No. 20-008, that the customer's request be denied.

**MOTION** – Mr. Sulik moved, and Mr. Joyce seconded to adopt Resolution No. 182-20. Without objection, the motion carried unanimously.

#### Authorization to Adopt Budget

Resolution No. 183-20      Approval of the District's 2021 Operating and Capital Budgets for the year ending December 31, 2021, as presented.

**MOTION** – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 183-20. Without objection, the motion carried unanimously.

#### Declaration of Commitment to Equity and Justice

Resolution No. 184-20      Declaration of the Board of Trustees of the Northeast Ohio Regional Sewer District of its Commitment to Equity and Justice Against the Ongoing Impacts of Racism in America.

**MOTION** – Mayor Alai moved, and Mr. Sulik seconded to adopt Resolution No. 184-20. After the following discussion, without objection, the motion carried unanimously.

President Brown read into the record the following statement, reflected in Resolution 184-20:

The death of Mr. George Floyd inspired marches and protests across Northeast Ohio and around the country as people joined voices for justice and equity, taking a stand against the ongoing impacts of racism in America.

Recent weeks have been met with anxiety and sadness, but also dialogue and resolve.

The Northeast Ohio Regional Sewer District exists to serve more than one million people from diverse racial and socioeconomic backgrounds across our region.

Today, as a team, the Northeast Ohio Regional Sewer District trustees and staff join individuals and organizations across the region in solidarity with the values of diversity, equity, and inclusion in three ways.

First, we join our customers and all residents of Northeast Ohio in recommitting to these values. We will continue to embrace diversity, work for equity, and seek inclusion in all our work to condemn racism, injustice and inequality for African Americans and all others.

We will advance current initiatives like our Water Equity Task Force, affordability, Good Neighbor Ambassadors, and construction and related business-certification programs that are providing opportunity, relief, and support to the neighborhoods and residents of Northeast Ohio. These efforts are already well underway and must not be taken for granted. We recommit to their critical importance.

Second, we will seek to better understand the root causes of injustice and work towards real solutions that challenge and eliminate systemic and overt racism where we find it. We will do so while developing real sustainable efforts that result in equity for our customers.

Our core values drive our efforts, and this work begins internally. We will open dialogues between employees and promote a deeper awareness of the racial justice issues facing our community.

And third, we commit to listen, learn and do more.

While we have focused on diversity, equity, and inclusion efforts within our workforce and around our community, we cannot be complacent. We will not settle. This work does not end, and our community involvement must be ongoing.

Our CEO Kyle Dreyfuss-Wells spoke to employees directly on June 3, saying, “I ask that you do not look away (from the issues that have sparked the unrest we are experiencing)” she said. “This is happening in our community and our country and to our fellow Americans.”

Each of us must take time to face these facts as individuals and work together for change. We have done some good work to be sure, but we recognize that we must do more. This is no time to reflect solely on the good work of our past, but rather what we must do to advance the cause of equity and fight to eliminate the silence during times that historically have given place to systemic and overt racism.

We exist to serve our public and protect the environment. We exist to serve people. We will serve the public with integrity and ensure a better future for all Northeast Ohioans.

#### VI. Information Items

Ms. Marshall provided the monthly update regarding the Capital Improvement Program for May 2020.

Regarding cash flow, the month of May ended at 76% of planned, which is down from the previous two months, which were 80% of planned.

The Westerly Storage Tunnel (WST) continues to be a main factor driving the percentage lower than the targeted KPI of 85%. As the Board was previously advised, that project shut down construction activity for two months due to COVID-19 concerns. Additionally, the production rate on the mining activity is slower than what was originally anticipated in the planned cash flow.

As for actual dollar amounts, the District paid out \$12.7 million in May, with a year-to-date total of \$73.5 million.

Regarding Key Performance Indicators, the District awarded the construction contract for the GJM Second Floor Renovation Project, which was awarded within 60 days of planned, meeting that KPI. However, the project did not meet the KPI on the engineer's estimate as the average of the three lowest bids on this project came in 19% below that estimate.

The District awarded two other construction contracts in the month of May, including the Miscellaneous CSO Improvements project and the Westerly Grating and CSOTF Wash-Down Replacement project. The District awarded both of those contracts within 60 days of planned meeting the KPI and also met the KPI on both projects as it relates to the engineer's estimate.

The District completed the development of the guaranteed maximum price on two design-build projects: Easterly/Southerly Fiber Replacement and the Southerly Disinfection and Solids Handling Improvements projects. Both GMPs were completed within 45 days of planned, meeting the KPI.

Regarding construction level KPIs, substantial completion of the Cuyahoga Valley Interceptor (CVI) Walton Hills Trunk Sewer Repair was achieved within 90 days of planned, meeting the KPI.



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Regarding construction highlights, the CVI Walton Hills Trunk Sewer Repair project was a \$195,000 construction contract which was necessary to repair a damaged portion of the CVI located in the Cuyahoga Valley National Park in Valley View. The pipe was damaged in March of 2018 by a non-District contractor. For approximately a year-and-a-half, that contractor made efforts to repair the sewer, but was unsuccessful. A settlement was reached with the contractor and their insurance company in September of 2019. Thereafter, in the fall of 2019, the District fast-tracked the in-house design of the repair. The project included an external repair with a 40-foot deep temporary shaft excavation through the tunnel support which allowed for an external fix with a water-tight structural repair. The project was publicly bid for construction, the Notice to Proceed was issued on March 9, and substantial completion was achieved on May 11, 2020.

Ms. Marshall moved discussion to the Westerly Primary Settling Tank Drive Replacement project, which was a \$368,000 construction contract. On November 17, 2019, the collector drive failed in one of the two primary settling tanks at the Westerly WWTP, reducing the overall primary treatment capacity of the plant by 50%. The District fast-tracked an in-house design of the repair, with Operation & Maintenance pre-purchasing the equipment to account for the lead time. District staff designed this repair over December and January, then issued it for public bid. The Notice to Proceed was issued on March 19, 2020 and the work was completed late last week. The focus has now shifted to the startup and commissioning of the new equipment. The project is scheduled to achieve substantial completion on July 1, 2020.

The last project discussed was the CSO-206 and Euclid Beach Netting Facility Embankment Erosion Emergency Repair project, which was a \$121,000 construction contract. This emergency repair was the result of fast-moving erosion threatening District infrastructure including the outfall pipe and associated netting facility. Ms. Marshall showed photographs demonstrating the erosion.

This became an emergency situation because of the unusually high lake water levels. Over a two-week period, there was over 5 feet of erosion at this location. The emergency work authorization was issued on March 10, and design-related activities followed, including obtaining a temporary shore structure permit necessary to begin construction. The pre-construction activities concluded on March 23, the contractor was mobilized the following day, and the construction was completed on April 10.

Construction included the installation of a concrete collar to stabilize and protect the brick sewer as well as the installation of armor stone to protect from and dissipate waves and stabilize the embankment. Ms. Marshall provided photographs demonstrating the completed project.

President Brown asked whether COVID-19 has impacted District projects in terms of workforce or timing. Ms. Marshall explained that there have been some minor impacts such as the inability of specialty subcontractors to travel to sites. Overall, the impacts have been minimal to date with the exception of the WST project, which was delayed and impacted the planned cash flow as previously mentioned.

Open Session

There were no items.

VII. Public Session (any subject matter)

There were no items.

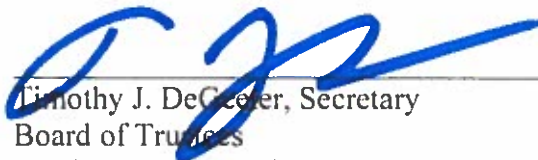
VIII. Executive Session

Mayor Bacci, pursuant to Ohio Revised Code section 121.22(G)3, moved to enter into executive session to consult with the District's legal counsel concerning disputes involving the District that are subject to pending and imminent court action. By roll call vote, the Board voted unanimously to enter into executive session at 1:12 p.m.

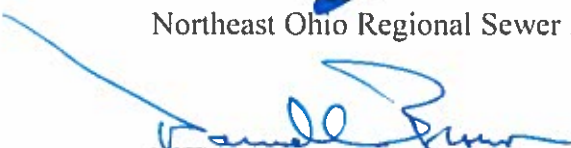
IX. Adjournment

The Board returned to open session at 2:02 p.m.

**MOTION** – President Brown stated business having been concluded, he would entertain a motion to adjourn. Ms. Dumas moved, and Mr. Sulik seconded the motion to adjourn at 2:03 p.m. Without objection, the motion carried unanimously.



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



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