

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JUNE 21, 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 Darnell Brown.

I. Roll Call

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

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

II. Approval of Minutes

MOTION – Mr. Ciaccia moved and Mayor Bacci seconded to approve the minutes of the June 7, 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 providing an overview of the draft 2019-2021 Strategic Plan, which staff hopes to finalize for distribution in July.

The process began with a small work group that developed the Plan theme of "Doing Great Work for a Great Lake." The group reviewed the District's vision, mission, and values and developed strategic areas of focus based on the National Association of Clean Water Agencies (NACWA)'s Ten Attributes of Effectively Managed Utilities.

The Plan is built on the foundation of the core work that the District does every day of treating wastewater and managing stormwater. The work is supported by the great staff and is focused on the future, both in terms of maintaining assets the District has built and continuing to look for innovation to serve employees, the public and the environment.

CEO Dreyfuss-Wells stated that the District's vision remains unchanged and is to be the environmental leader in enhancing quality of life in the region and protecting its water resources. The District's mission also remains unchanged and is to provide progressive management of sewage and stormwater through fiscal responsibility, innovation and community partnership.

The District's mission is supported by its core values of environmental stewardship, ethics, honesty and transparency, balanced and informed decision-making, customer focus, progressive culture accountability and respect. Those values guide how the District interacts with one another and customers.

The 2019-2021 Strategic Plan has five strategic areas of focus: Customer and Community Connections, Environmental Protection and Sustainability, Financial Viability, Operational Excellence, and Workforce Planning and Investment. CEO Dreyfuss-Wells provided an example strategic objective under each of the areas of focus.

The Midwest Neighborhood Project was a Member Community Infrastructure Project in 2017 to replace failing separate sanitary and storm sewers and alleviate basement flooding and inflow and infiltration for 45 homes in Garfield Heights. This project was an example of the strategic objective under Customer and Community Connections of assisting member communities to address their Clean Water Act issues and will be a focus going forward, as we see a direct connection between this local investment and regional water quality and public health. The local Sewer System Evaluation Studies (SSES) continue to support the need for this type of investment.

CEO Dreyfuss-Wells explained that from 2014 through 2017, the District performed a \$4 million interior, exterior and tunnel-lighting retrofit project at Southerly to replace inefficient lighting with LED lighting for a significant electricity reduction and cost savings. This project was emblematic of the work staff will focus on from 2019 through 2021 under Environmental Protection and Sustainability to increase opportunities to improve resource management through sustainability practices, reduce costs and reduce the District's environmental footprint.

Under the strategic area of focus of Financial Viability, the District will continue to focus on new and old ways to enhance long-term financial planning and to optimize the ability to provide sewer and stormwater services with minimal impacts on rates.

Operational excellence in the strategic plan is District-wide. Implementing operational readiness to support evolving operations and maintenance is an example strategic objective under this area of focus. Staff will focus on the tremendous asset and infrastructure investment, accelerated technology and changing workforce as we continue to implement operational readiness.

The District will also place an emphasis on planning career paths, workforce development and a focus on diversity and inclusion under the strategic area of focus of Workforce Planning and Investment. The plan will emphasize having a diverse workforce and inclusive workforce that takes advantage of the various skills, knowledge, information and opinions that employees have to offer.

Mr. Brown stated that he appreciated the continuity of where the District was and how it is transitioning. The workforce must also be both diverse and agile as the District transitions to new and better technology and how that is used to benefit the District and the people served is critical.

V. Action Items

Authorization to Advertise

Resolution No. 213-18

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the West Creek Temporary Bank Stabilization at Resource Drive Project with an engineer's opinion of probable construction cost of \$129,900.00.

Resolution No. 214-18

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the Colombo Park Stream Restoration project with an engineer's opinion of probable construction cost of \$1,750,000.00.

MOTION – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution Nos. 213-18 through 214-18. Without objection, the motion carried unanimously.

Authorization to Issue Request for Proposals (RFP)

Resolution No. 215-18

Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 153, for the Primavera P6 Upgrade Project.

Resolution No. 216-18

Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for brokerage services for the District's operational insurance, health insurance, and employee benefits.

Resolution No. 217-18

Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for professional services for the implementation and configuration of Cherwell Service Management and Cherwell Asset Management software.

MOTION – Mr. Ciaccia moved and Mayor Bacci seconded to adopt Resolution Nos. 215-18 through 217-18. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown requested more information about Resolution No. 216-18. John Wasco, Risk and Internal Audit Manager, advised that a broker will help guide the District with insurance buys and get the insurance. They will help confirm the insurance staff wants from the third-parties and when there is an incident, they help determine whether those third-parties are covered.

Mr. Wasco noted that in the past there were separate RFP requests for employee benefits and operational insurance, but this year they are together. Staff came to the realization that a three-year contract was too brief for the purveyors of those services to help determine what insurance was needed and this request is for a five-and-a-half-year term.

Mr. Brown moved to Resolution No. 217-18 and inquired what the District will get as a result of this process. Chandra Yadati, Director of Information Technology (IT), explained that this request is a continuation with the authorization to purchase the Service Management software. This is the tool used in IT to manage all service requests and work orders, as well as to track assets, licenses and computers. The current system is over 20 years old. The RFP purpose is to identify a partner to help implement best practices and adapt Cherwell software to the District's needs.

Authorization to Enter into Contract

Resolution No. 218-18

Authorization to enter into an agreement with the Ohio EPA and the Ohio Water Development Authority to accept WPCLF funding for construction costs related to the London Road Relief Sewer Project totaling \$51,500,000.00.

Resolution No. 219-18

Authorization to enter into an agreement with the Ohio EPA and the Ohio Water Development Authority to accept WPCLF funding for the construction costs related to the Doan Valley Relief and Consolidation Sewer Project totaling \$15,900,000.00.

Resolution No. 220-18

Authorization to enter into a Billing and Collection of Wastewater Service Charges agreement with the City of Cleveland, Department of Public Utilities, for the continued performance of such services by the City and in accordance with the fees as presented.

Resolution No. 221-18

Authorization to enter into contract with Technology International Inc., for the purchase of one mini-crawler crane for use at the Westerly Wastewater Treatment Plant, and elsewhere, as needed, in the amount of \$90,288.71.

Resolution No. 222-18

Authorization to enter into contract with Rexel USA, for the purchase of 60 DeviceNet network diagnostic meters in the amount of \$68,796.00.

Resolution No. 223-18

Authorization to enter into contract with Smith & Nejedlik, Inc., Sherman-Andrzejczyk Group, Inc., Feasibility Research Group, and Charles P. Braman & Co., Inc. for appraisal and appraisal review professional services related to property acquisitions, in the total amount, for all contracts, not-to-exceed \$400,000.00.

Resolution No. 224-18

Authorization to enter into contract for professional services with HDR Inc. for the Cuyahoga Valley Interceptor Local Sewer System Evaluation Study Project in the amount of \$7,000,000.00.

Resolution No. 225-18

Authorization to enter into a contract for the pre-construction and design services portion of a design-build contract with Lake Erie Electric, Inc. for Easterly/Westerly Low Voltage Equipment Replacement Project, in an amount not to exceed \$1,460,970.00.

Resolution No. 226-18

Authorization to enter into a construction contract with Triad McNally Joint Venture for the London Road Relief Sewers Project in the amount of \$39,660,000.00.

MOTION – Mr. Sulik moved and Mr. Ciaccia seconded to adopt Resolution No. 220-18. Without objection, the motion carried with abstentions by Mr. Brown and Ms. Dumas.

MOTION – Mr. Ciaccia moved and Mr. Sulik seconded to adopt Resolution Nos. 218-18, 219-18 and 221-18 through 226-18. After the following discussion, without objection, the motion carried unanimously.

Kenneth J. Duplay, Chief Financial Officer, referenced Resolution No. 218-18 and explained that the loan amount requested is higher than the award due to a change in the OWDA process in which they requested that the District provide them the Board authorization prior to entering into the agreement. The final award of the loan will be for the amount of the awarded contract.

Moving to Resolution No. 224-18, Mr. Brown expected that many of the recommended projects from the SSES might be eligible for MCIP programs. He requested that staff begin to address some of the concerns about communities doing community compliance plans and either not

identifying projects that need to be done or identifying projects that should be done and not having the means to construct the projects.

Devona Marshall, Director of Engineering & Construction, stated that this SSES covers an area tributary to the Southerly Treatment Plant, and specifically 23 communities that are south or southeast. The project includes extensive field evaluations, sewer inspections and flow monitoring. The result of these studies is a list of local capital improvement projects recommended for the identified problems and maintenance recommendations.

Matt Scharver, Manager of Watershed Programs, stated that as the SSESs produce alternatives, District staff coordinates with member communities to address and resolve these issues.

The District has the ability through the Member Community Infrastructure Program to offer funding and to direct member communities to utilize that funding to resolve those issues. Additionally, under the Regional Stormwater Management Program, Community Cost-Share Program funding allows for SSOs to be eligible for funding that helps address those issues with the communities.

Each community is obligated to comply under their NPDES Municipal Separate Storm Sewer System permit, Minimum Control Measure 3 for control of illicit discharges. District staff coordinates with the Cuyahoga County Department of Public Works and the Ohio Environmental Protection Agency, Division of Surface Water, to resolve illicit discharges.

Mr. Ciaccia noted that the District continues to have problems trying to allocate Community Cost-Share money. He questioned whether there was a way to mandate the use of those funds in situations where there are known problems under the discharge permit. CEO Dreyfuss-Wells advised that Title 5 under the Community Cost-Share Program does not envision the District telling the communities which projects to do. Staff has not encountered that situation yet.

Frank Greenland, Director of Watershed Programs, explained that there will be a mandate to deal with SSO. The District provides them with new information and mandate they provide a schedule for remediation with a funding mechanism to do so. He added that some communities are pooling money together for SSO remediation.

Moving conversation to Resolution No. 226-18, Mr. Brown noted the construction duration of over four years in a somewhat residential area. Ms. Marshall advised that the construction schedule is aggressive and the project is the last portion of Control Measure 6 under the Consent Decree, which is required to achieve full operation by the end of 2020. The project will result in significant CSO benefits, as four overflow points will be reduced from as high as 83 events down to zero events.

Authorization to Modify

Resolution No. 227-18

Modify Resolution No. 314-17 to authorize a contract modification and grant award increase for

the implementation of the City of South Euclid's Manhole Separation Project awarded under the 2018 Member Community Infrastructure Program (MCIP) with an increase in the grant amount of \$75,360.75, thereby increasing the previous grant award from \$230,770.00 to \$306,130.75.

Resolution No. 228-18

Modify Contract No. 17001463 with RiverReach Construction for the Beecher's Brook, Pepper Creek, and Baldwin Creek Bank Stabilization Project to include the Guaranteed Maximum Price Amendment of \$1,203,298.86 for the Baldwin Creek portion of the project, with no change in the previously approved total contract price for all portions of \$4,750,000.00.

Resolution No. 229-18

Modify Contract No. 15000323 with Retrievox Holdings Corp dba Access Information Protected for offsite records storage and secure document shredding services in accordance with the State of Ohio Cooperative Purchasing Program Contract, with an extension of the term for an additional three-year period, at a total cost not-to-exceed \$112,500.00, and to ratify up to \$4,500.00 incurred and/or paid after the contract's March 31, 2018 expiration date and prior to obtaining Board authority to enter into the contract extension modification requested herein.

Resolution No. 230-18

Modify Contract No. 17001263 with Operator Training Committee of Ohio for the District's Wastewater Training Program to extend the contract through December 2018 at a cost not-to-exceed \$120,420.00, and to ratify up to \$18,800.00 in charges incurred after the contract's November 2, 2017 expiration date and prior to obtaining Board authority to enter into the contract extension modification requested herein.

MOTION – Mayor Stefanik moved and Mr. Ciaccia seconded to adopt Resolution Nos. 227-18 through 230-18. After the following discussion, without objection, the motion carried unanimously.

Referencing Resolution No. 227-18, Mr. Ciaccia questioned whether the District has any limitations as part of the MCIP in terms of what will be accepted for modifications. Mr. Greenland

stated that at this time there are no limitation on things like an engineer's estimate. Regarding this particular situation, the City of South Euclid got three bids that were all over the estimate. They have added one additional manhole since entering into the agreement with the District and staff supports that addition.

Mr. Ciaccia stated that the District must be in control of scope-creep because it is not fair to other communities for another to return for more money due to an engineer's estimate bust. CEO Dreyfuss-Wells agreed and stated that staff will look into NOACA's practice in this regard. In this particular situation, staff is supportive of this particular change.

Sewer Use Code Matters

Resolution No. 231-18

Authorization to adopt the findings of the Hearing Officer with regard to the sewer account of Mr. Michael Sivo, Sewer District Case No. 18-012, that the customer's request be denied.

MOTION – Ms. Dumas moved and Mayor Bacchi seconded to adopt Resolution No. 231-18. Without objection, the motion carried unanimously.

Authorization to Adopt Budget

Resolution No. 232-18

Authorization to adopt the District's 2019 Operating and Capital Budgets for the year ending December 31, 2019 as presented.

MOTION – Ms. Dumas moved and Mayor Stefanik seconded to adopt Resolution No. 232-18. Without objection, the motion carried unanimously.

Property-Related Transactions

Resolution No. 233-18

Authorize the District to acquire five permanent subterranean easements located on a portion of PPNs 121-27-007, 121-27-006, 120-31-049, 121-12-063, and 121-13-025 owned by the Greater Cleveland Regional Transit Authority, necessary for the construction of the Doan Valley Tunnel Project with a total consideration of \$178,900.00.

Resolution No. 234-18

Authorize the District to appropriate one permanent subterranean easement located at 16219 St. Clair Avenue in the City of Cleveland, and known as part of PPN 116-14-027, owned by SDR Management Company, LLC, necessary for the construction of the London Road Relief Sewer Project with a

consideration of \$300.00.

Resolution No. 235-18

Authorize the District to appropriate one permanent subterranean easement located on a portion of PPN 003-28-024, located at 1616 West 25th Street in the City of Cleveland, owned by Ojala Properties, LLC, and necessary for the construction of the Westerly Storage Tunnel Project and to deposit \$400.00 with Cuyahoga County Probate Court with a consideration for the same.

Resolution No. 236-18

Authorize the District to appropriate one permanent subterranean easement located on a portion of PPN 004-26-012, located on Abbey Avenue, Cleveland, owned by 2041 West, LLC, necessary for the construction of the Westerly Storage Tunnel Project and to deposit \$950.00 with Cuyahoga County Probate Court with a consideration for the same.

MOTION – Mayor Bacci moved and Mr. Sulik seconded to adopt Resolution Nos. 233-18 through 236-18. Without objection, the motion carried unanimously.

VI. Information Items

1. Chief Legal Officer & General Counsel Claims Report to Northeast Ohio Regional Sewer District Board of Trustees

Mr. Brown stated that any specific questions could be directed to the Chief Legal Officer & General Counsel.

2. Program Management Status Report and Update --- May 2018

Ms. Marshall stated that cash flow ended May at 81%, which is an increase from last month and continues to move towards the goal of 85% after a slow start to the year. Through May, \$89 million was spent in construction this year with \$18 million during the month.

The design of the Southerly Second-Stage Settling Improvement Project, which has an estimated construction cost of \$44.8 million, was completed within 60 days of plan, meeting the Key Performance Indicator (KPI).

District staff achieved \$4.5 million in value-engineering savings on the Doan Valley Relief and Consolidation Sewer in the area of structure consolidation, hydraulic optimization and alignment change.

Mr. Brown inquired whether staff has checked the alignment against the number of mature trees in the park that might be affected. Doug Lopata, CSO Program Manager, explained that four or five mature trees will need to be removed for the alignment. Staff has coordinated with the City of Cleveland Landmarks Commission and Forestry Department regarding the historic nature of those trees.

Ms. Marshall continued the report by stating that value-engineering savings of \$7.1 million was achieved on the London Road Relief Sewer Project in the same areas of structure consolidation, hydraulic optimization and alignment change.

Moving to construction highlights, the Emerald Parkway Culvert Repair Project is a \$4.8 million design-build project that is a part of the Regional Stormwater Management Program. Under this project, 370 feet of collapsed 11-foot-diameter pipe will be repaired on the Regional Stormwater System. Staff implemented an improved dewatering operation to get rid of upstream flooding. The project is scheduled to achieve substantial completion in August.

The Union/Buckeye Green Infrastructure Project is a \$4.9 million project scheduled to achieve substantial completion in August. Under this project, two of the nine green infrastructure projects will be constructed as part of the Long-Term Control Plan. This project included seven green infrastructure basins and 2,000 linear feet of new storm sewer. It will capture about 10 million gallons of stormwater and result in about one million gallons of CSO control.

The Dugway South Relief and Consolidation Sewer is a \$26 million construction project scheduled to achieve substantial completion in September. This new tunnel will dewater the Doan Valley Tunnel and send flows to the Dugway West Interceptor and the plant for treatment. Additionally, there is a stretch along Phillips Avenue that picks up one of the regulator structures that is a contributor to CSOs.

The Kingsbury Run Preliminary Engineering Project is a \$4.8 million project. This project will alleviate some flooding in the area caused by hydraulic restrictions in District infrastructure. Staff will be back in the area in the Long-Term Control Plan to specifically address the CSO 040.

Ms. Marshall advised that the Southerly First Stage Settling Improvement Project is a \$42 million project scheduled to achieve substantial completion in September. Under this project, staff replaced the sludge collection and pumping systems and increased the overall capacity of first stage from 175 MGD to 215 MGD, a requirement of our Consent Decree.

The Westerly Incinerator Improvement Project is a \$2.7 million design-build contract scheduled to achieve substantial completion in August. The project's main purpose is to rehabilitate the two multiple hearth incinerators located at Westerly.

The Southerly Grit Receiving Station Project is a \$1.2 million design-build project scheduled to achieve substantial completion in August. Under this contract, staff is constructing a stand-alone facility for outside grit that comes into the plant. The current operation is not efficient and not effective.

Ms. Marshall stated that staff has successfully implemented the fix to address the vibration issues with the three remaining large pumps at the Tunnel Dewatering Pump Station. Activities have commenced to activate the pump station. The contractor has started to remove the bulkheads that will allow flow to be sent to Easterly. Once this is done, staff will proceed with activating the Lakeshore tie-in, scheduled for early July. After that is complete, the Lakeshore Boulevard and Euclid Creek Tunnel will be online for that connection. She explained that staff will hold off on the full activation of Euclid Creek Tunnel until programming can be completed, scheduled by the end of July.

Mr. Brown stated that many segments of the community have been waiting for this increased level of protection and having the ability to say it has been implemented should be noted. CEO Dreyfuss-Wells advised that following discussion at the senior staff level, Cleveland City Councilman Polensek and the neighborhood will know.

Mr. Ciaccia inquired whether there were any commercial issues and how staff feels about the project budget. James Bunsey, Chief Operating Officer, stated that the District's intent is to bring it in at no more than the contract amount. Work is still to be done in the pump station and on resolving the commercial issues. The end of the year is a reasonable target for contract completion and staff has started working towards the commercial resolution.

Andrea Remias, Planning Manager, explained that the four local SSES will be completed within the next three years at a total cost of \$40 million. These studies are planning-level studies of a local system. We'll be doing dye testing, smoke testing, flow monitoring, inspection, and hydraulic modeling, which are traditional SSES types of tools and activities.

Staff will confirm reported problems from communities, identify any new problems and project future problems. The studies will develop community-specific maintenance recommendations and feasible capital projects solutions. This information will be packaged into individual community reports provided to the communities. The purpose of the studies is to provide technical support that will complement MCIP funding.

Regarding 2019 MCIP applications, Ms. Remias stated that SSESs have supported six applications that preliminarily were submitted this year. The SSESs use the district's GIS system to track field work and any issues they see in the field. Staff provides access to communities, engineers, consultants and District staff.

The Mill Creek SSES is in field work and flow monitoring. The next steps are to extend the model, calibrate it and identify and validate problems before alternatives evaluation.

Ms. Remias stated that the City of Cleveland is also performing an SSES, which is focused on the condition of pipes that are one hundred years old. The District's SSESs have a focus on specific problem areas. The District and Cleveland teams have coordinated their field work to optimize resources and has saved \$182,000.

The Heights Hilltop study is 85% complete and is laying the groundwork for the other SSESs by developing standards and procedures. Some of the key findings from the study are that the major contributions to basement flooding, water quality degradation and excessive wet-weather flows is from common trench sewers and private property inflow and infiltration.

The peak wet-weather flows in the common trench system can be upwards of 600,000 gallons per acre, per day in both the Mill Creek and the Heights Hilltop areas. A bad typical separate system would contribute 50,000 gallons per acre per day.

Ms. Remias explained that during a typical year, e-coli contribution is substantial in common trench sewers, then next separate trench. This is surprising because it is often assumed that SSOs, failing septic systems and illicit discharges are the biggest source of water quality issues. This is because even during very small storms, the sanitary and stormwater mix almost immediately and ends up going out the stormwater outfalls.

Within the separate trench and common trench systems, there is a high portion of inflow and infiltration attributed to private property. For every 50 feet of main line sewer in the street, there can be up to 300 feet of sewer on the private property, including the laterals and the foundation drain around the house, which is often tied into the sanitary sewer.

District staff has been talking to the communities through the MCIP process and suggested that they consider including private property inflow and infiltration rehabilitation into their MCIP applications. However, most communities focus on the public side. The City of Lakewood is conducting a private property rehabilitation pilot project in a common trench area and by the next quarterly report, findings from that study should be available.

The Southwest Interceptor study is the third study, which started in March and will be completed in March 2021. The early focus is on the communities and areas that have the worst basement backup issues.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

MOTION – Mayor Bacci moved to go into Executive Session pursuant to Ohio Revised Code Section 121.22(G)(3) to talk with the District’s legal counsel concerning disputes involving the District that are subject to pending court action. After discussion and without objection, the motion carried unanimously by roll call vote.


The Board met in Executive Session from 1:45 p.m. to 2:09 p.m.

X. Approval of Items from Executive Session

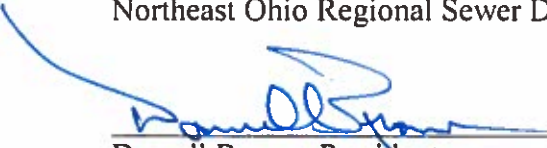
There were no items.

XI. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mr. Sulik moved and Mayor Bacci seconded the motion to adjourn at 2:10 p.m. Without objection, the motion carried unanimously.



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



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