

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JULY 2, 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

ABSENT: Sharon Dumas

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

II. Approval of Minutes

MOTION – Mayor Bacci moved, and Mr. Sulik seconded to approve the Minutes of the June 18, 2020, Board Meeting. Without objection, the motion carried unanimously.

III. Election and Installation of Officers

Mr. Brown asked for the report on the election of officers for the 2020/2021 term.

MOTION – Mr. Sulik moved, and Mayor Bacci seconded to appoint Mr. Brown as Board President, Mr. Sulik as Vice-President, and Mayor DeGeeter as Secretary of the Board of Trustees. Without objection, the motion carried unanimously.

Following the nomination, President Brown offered that these are trying times, given the current state of affairs. The District is in the midst of implementing the Consent Decree that it entered several years ago. While it has seen a measure of success, the District is still assessing the future of the agency in terms of the rate structure.

Given the current social climate, the District finds itself in the midst of working to address issues of diversity, inclusion, and racism while maintaining its critical functions in the region and working to further make its socioeconomic engagement a pivotal part of the District and what it stands for. President Brown stated that he looks forward to addressing these challenges with the support and input from the Board of Trustees and the senior staff, through their leadership.

President Brown thanked everyone for their work and added that the District is aware of its position and import in the community. The District feels strongly that it is properly positioned and has the people and structure to further advance its cause.

President Brown invited Eric Luckage, Chief Legal Officer, to administer the Oath of Office to the Board officers.

Mr. Luckage administered the Oath of Office to Mr. Brown, Mr. Sulik and Mayor DeGeeter.

IV. Public Session

There were no items.

V. Chief Executive Officer's Report

Kyle Dreyfuss-Wells, Chief Executive Officer, informed the Board that over the past two weeks, three District employees were diagnosed with confirmed cases of COVID-19, one at GJM and two at Southerly. The District followed its established protocols to determine, and if necessary, inform coworkers, contractors or vendors who were considered to be in close contact as defined by the CDC guidelines, as well as disinfecting those facilities as needed. The District established protocols early in the pandemic and is now exercising those protocols.

In two of the cases, no employees, vendors, or contractors were in close contact for a prolonged period of time with the employees who were diagnosed with COVID-19. In the remaining case, the District completed the review of potential contacts and any individuals who were in close contact with this employee have been notified by the Human Resources Department. One of the infected employees is back to telework and the two other employees are on leave. The District wishes these employees speedy and complete recoveries.

The District reiterated to employees the importance of personal responsibility for face coverings, social distancing and sanitation, and also sent an email to all employees with a detailed summary of its operating procedure and a link to the operating procedure, to view the process that HR follows.

On June 19, the District hosted an internal racial justice dialog, which was open to all staff. Ms. Dreyfuss-Wells invited Constance Haqq, Chief Administrative Officer, to discuss the panel.

Ms. Haqq advised the Board that, in light of the tragic death of George Floyd and the social unrest that followed, the District is aware that its staff is feeling all of the same emotions as is the local and global community. In response, it hosted a dialog in panel discussion format to discuss racial justice. The panel was comprised of District employees of varying races, ages, backgrounds, and lengths of service and 130 District employees participated in the discussion. The discussion and chat comments were respectful, diverse, thoughtful, and direct.

Surveys were sent to the participants for feedback on the dialog. With a 50% response so far, the feedback has been positive, with a request for continued discussion.

Additionally, the District provided a host of reference materials on the topic of racial justice, so that staff may continue to self-educate. There will be a second panel on July 31.

Ms. Haqq acknowledged that this is a difficult but necessary discussion to make staff better at their jobs at the District, and more importantly, better people.

President Brown expressed his appreciation for this discussion and the ongoing dialog, noting that these are often very difficult conversations to have and can be difficult to comprehend in terms of perspective. The ability to further these discussions to the point that they become actionable items is important as it relates to what the District does internally and externally. The District finds itself in a significant position where the economy is challenged and what it does as it relates to people's ability to have conversations with the District about their obligations and how the District handles those accounts. Currently, there does not seem to be any support or relief on the state or federal level. There have been some adjustments to assist with rent and other things, however, utilities do not currently have anything that they can do that is not decided internally. President Brown added that the District needs to be thoughtful about these issues and he looks forward to the discussion at the appropriate time. Ms. Dreyfuss-Wells thanked President Brown for his thoughtful comments and added that the District looks forward to the discussion as well.

Ms. Dreyfuss-Wells concluded her update by informing the Board that Travis Pitts, Assistant Superintendent of Plants at Westerly, has passed his class IV certification exam, which is the Ohio EPA's highest level of certification available for wastewater treatment plant operators. This certification is required by the Ohio EPA to serve as the Operator of Record for large wastewater treatment plants such as the District's.

With the addition of Mr. Pitts, the District now has 11 Class IV operators. For perspective, Cincinnati has 7 and Columbus has 3. The District requires one for each treatment plant.

Mr. Pitts started with the District in 2003 as a wastewater plant operator at Westerly and has also served as a wastewater plant operator, shift supervisor, and shift manager at Southerly. Ms. Dreyfuss-Wells congratulated Mr. Pitts for his accomplishment.

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

Mr. Duplay advised the Board that the District continues to monitor the revenue impacts of the COVID-19 pandemic, as it relates to both sewer and stormwater. The final numbers for May are available and June's numbers are beginning to come in.

Regarding sewer, consumption for May was down 13% from a year ago and that is the highest change year over year for a month this year. The District had budgeted for up to 20% declines in its initial projections related to COVID-19, and this decline relates to March and April water usage, when things were shut down.

In assessing May's consumption and collection rate information there may be issues with COVID-19 related collections, with rates below 90%, which is still better than what was projected. Collection rates could stay lower longer than consumption, given continued high unemployment rates.

The District has revised its potential revenue loss for sewer from a range \$70 million to \$100 million to a range of \$50 million to \$60 million, using worst-case projections based on numbers from May throughout the year. The District is remaining conservative but at this point is not suggesting any additional cuts for sewer beyond what has already been identified. The hiring freeze will remain in effect.

As previously mentioned, stormwater is more susceptible to the loss of collections due to its smaller beginning cash balances. It is entirely cash funded. Given the current numbers and projections, Finance is working with the Watershed Department to identify potential additional cuts for this year and next to ensure sufficient cash balances. It is important to remain vigilant to avoid a cashflow shortage.

President Brown asked whether the collection rates are bolstered by the industrial accounts and the residential accounts are lagging. Mr. Duplay confirmed that is correct and while there is a major decline in commercial consumption, most of those accounts are up to date on payments, especially amongst the District's top 50 customers. Most of the collection issues are associated with residential accounts.

VI. Action Items

Authorization to Issue Request for Qualifications (RFQ)

Resolution No. 185-20

Authorization to issue a Request for Qualifications, in accordance with Ohio Revised Code Chapter 153, for engineering services for the CSO Consent Decree and National Pollutant Discharge Elimination System Performance Compliance Project Phase 2.

MOTION – Mr. Joyce moved, and Mayor Alai seconded to adopt Resolution No. 185-20. After the following discussion, without objection, the motion carried unanimously.

Regarding Resolution No. 185-20, President Brown asked for an explanation of what might be expected with Phase 2 of this contract.

Doug Gabriel, Deputy Director of Engineering and Construction, invited Andrea Remias, Planning Manager of Engineering and Construction, to provide an overview of the project.

Ms. Remias advised the Board that the CSO Consent Decree and NPDES Permit Performance Compliance Project is a five-year project that provides technical support mainly in the form of hydrologic and hydraulic modeling and flow monitoring in order to demonstrate post construction Control Measure compliance with the Consent Decree, and CSO NPDES permit annual reporting support.

This project also includes the management of the District's eight collection system master models which includes QA/QC of any ongoing design projects' models to ensure that modeling standards are followed, and any constructed infrastructure meets Consent Decree performance criteria.

The Phase 1 contract, which is a five-year contract with a cost of \$8.5 million dollars, included performance compliance activities of eight control measures and Appendix 3 green infrastructure. This current Phase 2 project will include eight control measures as well.

As for the number of projects included, Phase 1 included 27 projects at a combined construction cost of \$800 million. This contract will include 26 projects, with a construction cost totaling \$1.2 billion.

Authorization to Enter into Agreement

Resolution No. 186-20 Authorization to enter into a project agreement with West Creek Conservancy (WCC) to provide funding toward the acquisition of property located in Northfield Center Township and the Village of Boston Heights for the management of stream flow and permanent protection of floodplain areas adjacent to Brandywine Creek in an amount not-to-exceed \$250,000.00, and a WCC contribution toward the remaining acquisition costs, currently estimated to be \$330,000.00.

Resolution No. 187-20 Authorization to enter into a reimbursement agreement with the City of Strongsville for the City's realignment and replacement of a culvert under the Royalton Road Culvert-CUY-82-2.57 project in an amount not-to-exceed \$500,000.00 toward total project construction costs, currently estimated to be \$2,079,000.

Resolution No. 188-20 Authorization to enter into a one-year partnership agreement with the Cuyahoga County Solid Waste District for its Cuyahoga County Household Hazardous Waste Program in the amount of \$75,000.00.

MOTION – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution Nos. 186-20 through 188-20. After the following discussion, without objection, the motion carried unanimously.

Regarding Resolution No. 187-20, President Brown asked whether this was a culvert that had already failed, whose facility it is, whether there is relief, and what the strategy is going forward.

Frank Greenland, Director of Watershed Programs, explained that during the District’s regional stormwater master planning efforts in this area, the District discovered structural problems with this culvert, which gets off the public right-of-way, Royalton Road, and through private property, which is where the problem areas are. The City of Strongsville implemented repair measures then initiated a detailed design and long-term solution. The City will assume ownership of the culvert, which is along the RSS and drains more than 300 acres. There has been collaboration between the District and the City in this area. The District has agreed to contribute \$500,000 to the project, as it is in alignment with the Stormwater Master Plan.

Authorization to Enter Into Contract

Resolution No. 189-20 Authorization to enter into a construction contract with The Triad Engineering and Contracting Co. for the West 3rd Quigley/Westerly Miscellaneous CSO Control project in an amount not-to-exceed \$9,863,200.00.

Resolution No. 190-20 Authorization to enter into a construction contract with North Bay Construction, Inc. for the Westerly Steam Grease Handling Boilers Replacement project in an amount not-to-exceed \$705,971.50.

MOTION – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution Nos. 189-20 through 190-20. After the following discussion, without objection, the motion carried unanimously.

Authorization to Amend Agreement

Resolution No. 191-20 Authorization to amend Agreement No. 3785 with the Cuyahoga County Board of Health for the District’s provision of analytical testing services to reflect the District’s updated pricing schedule and to extend the term through December 31, 2020.

Resolution No. 192-20 Authorization to amend Project Agreement No. 19000276 with Doan Brook Watershed Partnership for the Debris Rack Design and Construction in Doan Brook project to include District reimbursement of repair management services in the additional amount of \$28,583.00, thereby bringing the total agreement amount not-to-exceed \$406,128.80.

MOTION – Mr. Sulik moved, and Mr. Joyce seconded to adopt Resolution No. 191-20. Without objection, the motion carried unanimously.

MOTION – Mr. Sulik moved, and Mayor Bacci seconded to adopt Resolution No. 192-20. Without objection, by rollcall vote, with all present members voting yes, and recusal from discussion and abstention from voting by Mr. Brown, the motion carried.

Property Related Transaction

Resolution No. 193-20 Authorizing the District to acquire one permanent stormwater easement and one temporary easement on property known as part of PPN 871-32-007, located at 2864 Lander Road, in the City of Pepper Pike, owned by William E. and Kathryn S. Fehrenbach, necessary for the construction and maintenance of the Pepper Luce Creek Stabilization Near Lander Road project with total consideration of \$8,360.00.

Resolution No. 194-20 Authorizing the District to acquire one temporary easement on property known as part of PPN 008-30-016, located at 2890 West 3rd Street, in the City of Cleveland, owned by Midland Properties Group, LLC, necessary for the construction of the West 3rd Quigley/Westerly Miscellaneous CSO Control project with total consideration of \$2,600.00.

Resolution No. 195-20 Authorizing the District to acquire one permanent and one temporary easement on property known as a part of PPN 008-30-019, located on West 3rd Street, in the City of Cleveland, owned by ISG Cleveland West, Inc., nka ArcelorMittal Cleveland, LLC, necessary for the construction and maintenance of the West 3rd Quigley/Westerly Miscellaneous CSO Control project with total consideration of \$800.00.

MOTION – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution Nos. 193-20 through 195-20. Without objection, the motion carried unanimously.

Authorization to Retain Legal Counsel

Resolution No. 196-20 Authorizing the Chief Legal Officer to retain McDonald Hopkins, LLC to provide supplemental outside advisory counsel and legal representation to the District in connection with general government and public law matters as needed.

MOTION – Mr. Sulik moved, and Mayor Alai seconded to adopt Resolution No. 196-20. Without objection, the motion carried unanimously.

VII. Information Items

Mr. Greenland provided an update regarding the recent activities under the regional stormwater management program (RSMP), beginning with the green infrastructure sites.

The Stormwater Inspection and Maintenance (SWIM) group is responsible for management of the green infrastructure sites, there are both internal inspection crews and external maintenance contractors, as previously approved by the Board, for each of the facilities. There are two former Good Neighbor Ambassadors assisting with inspection activities.

Mr. Greenland provided images of each of the green infrastructure sites, Fleet Avenue, the Urban Agricultural Basins both east and west, Woodland Central, and East 140th and Page Avenue.

Mr. Greenland added that the green infrastructure sites are designed to capture and slow storm water for the purpose of reduction of combined sewer overflows and are great community amenities. Inspection and maintenance are critical to the functionality of these sites, and the SWIM group has done a great job maintaining them.

Mr. Greenland then addressed recent flooding events in March and May, providing images and some statistics from Chippewa Creek, John Nagy, and Big Creek. There was a lot of woody timber obstructing flow in these areas. Mr. Greenland commended the SWIM group for their efforts to work with community and officials and effectuate a timely cleanup, given the size of the events and COVID 19-related challenges.

As for watershed technical support, the Master Plans are on schedule. Cuyahoga River South is complete, and the North study will be complete soon.

Mr. Greenland provided images from Cuyahoga River North, where 71 problem areas have been identified. There are problem areas being nominated to the stormwater construction plan. The estimate of \$522 million to achieve 100-year flood protection is a lofty goal, and while it will not be achievable everywhere, the District will push to achieve as much as possible.

The reports for the Rocky River area will be finalized this summer. The estimated cost is \$221 million, with a greater number of problems of lesser severity than Cuyahoga River North.

Regarding Chagrin and Lake Erie tributaries, the data collection is essentially complete. There was a delay in field inspections due to COVID-19 concerns, however, the project is tracking well, with computer modeling for the streams on the east side 50% complete. Doan Brook near University Circle has been prioritized, as there has been significant flooding in that area. The District is moving from master planning into advanced stormwater planning, which is being handled much in the same way that the CSO Long-Term Control Plans were developed.

Mr. Greenland added that several of the projects related to flood control are large, costly projects with difficult implementation and a lot of property interests. The District wants to look for opportunities to phase projects effectively in these larger project areas so that it can incrementally gain benefits.

Mr. Greenland moved his presentation to the topic of customer credits. The District has a robust credit opportunity for customers, with 85 new credits issued in the last quarter. The total number of credits to customer accounts is a little over 4,300 or less than 2% of the total account base, which is not unlike most utilities nationwide. There are several residential credits where folks manage their stormwater and receive a corresponding credit. Likewise, there are several larger commercial parcels with creditworthy structures in place, and the District worked with them to obtain those credits, including working with school districts to obtain credits for educational opportunities.

Regarding property acquisition, larger projects with greater benefits will require more property. To date, the District has, through voluntary acquisitions, acquired 33 properties at a cost of \$6.9 million and obtained 80 easements, with a cost of over \$600,000. The District is partnering with other groups to obtain land and properties. It is leveraging its dollars well to acquire parcels and properties to help manage stormwater on the regional level.

In 2020, there have been nine acquisitions at the cost of \$1.4 million. There are a number of easements, leases, and demolitions currently underway. From the property aspect, the District is doing well, which will help with future projects.

Mr. Greenland provided graphs outlining the current status of stormwater design and construction. While they are meeting KPIs and tracking well, as Mr. Duplay discussed earlier, due to revenue issues in stormwater, some areas are slowing down to ensure that the work remains within the revenue resources.

The cashflow diagram typically lags in the early part of the year, and then picks up. This year, the target of 85% will not be met so as to not exceed available cashflow.

Mr. Greenland provided slides discussing some ongoing projects. Sheldon Road is an area with frequent flooding. The District is working with Cuyahoga County, Middleburg Heights, and Brook Park on a road project with stream components. It is in the preliminary engineering phase and the hope is to initiate the project in 2022.

There is an area of Ridge Road where the embankment is falling away and threatening a structure. The project was held up by an easement issue but is expected to advertise for construction in the third quarter.

There is a culvert issue at Bear Creek in North Randall with failing timbers and corrugated metal, which traverses public and private property. The design phase is 30% complete and the hope is repairs will be underway by late 2020 to early 2021.

Mr. Greenland provided photos from Big Creek Spillway demonstrating damage that was done in March during the third highest flooding event on record, which demonstrates the amount of energy Big Creek has at that location. Some interim repairs were performed by moving some rocks, which remained in place during the May flooding event.

Mr. Greenland provided photos from Doan Brook demonstrating debris blockages, one in and around the area where the tunnel construction was occurring. The District is preparing design plans and bid documents to clear the debris, as it is severely restricting flow.

President Brown noted that this issue was recently discussed with stakeholders and expressed appreciation for the work being performed. Mr. Greenland commented that the timing is now right to complete the work. While it would have been preferable to address the issues sooner, there were obstructions and construction impediments that did not allow access to the area. The District wishes to move forward with this significant job.

Substantial completion has been achieved on the Green Lake Dam Rehabilitation project in Shaker Heights. The District dredged the lake and made repairs resulting in a brand-new spillway. The project was successful.

Regarding Community Cost-Share, the total balance is \$29 million. Of that, \$8 million is allotted to projects that have executed agreements and are ongoing. There are 30 projects for which the finalization of the agreements is occurring now. The remaining \$18.8 million is allotted to allocation agreements wherein the member community can perform larger projects by committing Community Cost-Share dollars over time. There are 20 of those agreements in place. There is currently \$9.7 million in unallocated funds and the District continues to work with its member communities to ensure that they utilize their funds. Mr. Greenland provided a visual demonstration of how the funds have been allocated for 2020, noting that the project types vary and include storm sewer maintenance, drainage projects, and regulatory compliance. Pepper Pike used their funds for a storm sewer installation at Lander and South Woodland.

Since 2013, there has been \$17 million invested across a couple hundred projects. The intention is to increase the pace and do more and better projects over time.

Mr. Greenland concluded his presentation by discussing the issue of illicit discharge detection and elimination. The District provides support to its member communities in this regard, as one of the six minimum controls in their Phase 2 stormwater permits is to have illicit discharge detection and elimination programs. An illicit discharge is a sanitary sewer tied to a storm sewer. Mr. Greenland

noted that these illicit discharges are rather prevalent and require significant effort to locate and remediate and added that the communities have increased the rate at which they are corrected.

Mr. Greenland provided examples of illicit discharges, beginning with a 12-inch storm sewer outfall to Big Creek. They are tested annually. This sewer was fine in 2017 and 2018, then in 2019, had output consistent with raw sewage. In this instance, there was a blockage which was allowing the sanitary sewer to flow into the storm sewer at a rate of 2,000 gallons per day going into the environment. The District worked with the communities to remediate the problem very quickly.

Mr. Greenland provided additional images of illicit discharges and explained that in 2018 and 2019, 500,000 gallons of illicit discharge was eliminated through the sampling activities of the Cuyahoga County Board of Health through the tracing from the District's Water Quality and Industrial Surveillance (WQIS) staff, and the work of the communities to repair the problems. Several investigations were conducted, resulting in substantial remediation. The District is continuing its work on these pressing issues, and overall, there have been very good results.

President Brown expressed his appreciation for the thorough overview, adding that it captures the whole picture of the challenges presented to the District and the work being done collaboratively and noted the difficulty of adapting to the duration, quantity and intensity of the storms and amounts of water that are being seen in the environmental climate.

President Brown commended the District for its work in identifying and remediating illicit discharges, noting that they have been a continual problem for years and occasionally emerge as the result of development.

Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

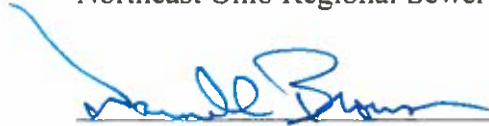
There were no items.

X. Adjournment

MOTION – President Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved, and Mr. Joyce seconded the motion to adjourn at 1:26 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