

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JULY 19, 2018

A Regular Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:32 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. Sulik moved and Mr. Ciaccia seconded to approve the minutes of the July 5, 2018, Board Meeting. Without objection, the motion carried unanimously.

III. Installation of Officers

MOTION – Mayor Bacci moved and Ms. Dumas seconded to nominate Mr. Brown for Board of Trustees president, Mr. Sulik for Vice President and Mayor DeGeeter for Secretary. Without objection, the motion carried unanimously.

Eric Luckage, Chief Legal Officer & General Counsel, administered the oaths of office.

IV. Public Session

There were no items.

V. Chief Executive Officer's Report

CEO Dreyfuss-Wells began her report by stating that the Tunnel Dewatering Pump Station is operable, and as of yesterday, the Euclid Creek Tunnel accumulated flow as pumped via the Tunnel Dewatering Pump Station into the Easterly Interceptor where it flowed to the Easterly Wastewater Treatment Plant for treatment. Additionally, the Lakeshore Boulevard Relief Sewer was activated on schedule and could transport flow to the Euclid Creek Tunnel as of July 13.

CEO Dreyfuss-Wells recognized the great work of District staff to bring this infrastructure online and recognized the team at Easterly that is operating it.

Continuing the report, CEO Dreyfuss-Wells advised that on July 10, the District hosted the Stormwater Design Preview as part of the Business Opportunity Program (BOP). The event was intended to help firms understand the work of the Watershed Programs Department and possible contracting opportunities. BOP firms had suggested that they would like to network with larger professional firms around the topic of stormwater.

CEO Dreyfuss-Wells indicated that Tiffany Jordan, Contract Compliance Manager, and her team worked with Watersheds and Communications and Community Relations to put this together with two goals: to provide an overview of the wide variety of work available through the Watershed Programs Department and to offer an opportunity for networking.

District staff participated in the U.S. Water Alliance's One Water Summit from July 9 through July 12 in Minnesota. The Summit brings together folks from utilities, nonprofits, community activists and artists to discuss the common challenges between drinking water, stormwater and wastewater. Some conversation was spurred by Detroit and Flint in terms of equity, affordability and access to clean, safe water.

Closing the report, CEO Dreyfuss-Wells informed the Board that Chandra Yadati, Director of Information Technology (IT) would be departing the District as of July 31, and beginning August 1, Satish Krishnan will become the Acting Director of IT while the search for a replacement transpires.

CEO Dreyfuss-Wells noted that the 2017 Comprehensive Annual Financial Report was provided to the Board.

VI. Action Items

Authorization to Advertise

Resolution No. 259-18

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the Spring Creek Culvert Rehabilitation Project with an Engineer's opinion of probable construction cost of \$617,500.00.

MOTION – Mayor Bacci moved and Mayor Stefanik seconded to adopt Resolution No. 259-18. Without objection, the motion carried unanimously.

Authorization to Issue Request for Proposals (RFP)

Resolution No. 260-18

Authorization to issue RFP, in accordance with Ohio Revised Code Chapter 153, for the Pearl &

Jennings Road Storage Tanks and Pump Station
Upgrades Project.

MOTION – Mayor Bacci moved and Mr. Sulik seconded to adopt Resolution No. 260-18. Without objection, the motion carried unanimously.

Authorization to Purchase

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| Resolution No. 261-18 | Authorization to purchase replacement parts, on an as-needed basis, for replacement of metallic sludge collector parts for the Primary Settling Tanks used at the Easterly and Southerly Wastewater Treatment Plants from sole source vendor Polychem Systems, with an anticipated expenditure of \$200,000.00. |
| Resolution No. 262-18 | Authorize the purchase of sewer inspection closed circuit television (CCTV) equipment through the State of Ohio Cooperative Purchasing Program for an amount not-to-exceed \$68,200.00. |
| Resolution No. 263-18 | Authorize the purchase of an upright microscope, imaging system, and software from Hunt Optics d/b/a B&B Microscopes in the amount of \$63,899.84. |
| Resolution No. 264-18 | Authorize the purchase of OES, ZCM, and IDM maintenance and licenses from Micro Focus Software Inc., under the State of Ohio Cooperative Purchasing Program, for the period of July 1, 2018 to June 30, 2019, in an amount not-to-exceed \$60,000.00. |
| Resolution No. 265-18 | Authorize the purchase of network switches, firewalls and miscellaneous supporting equipment for the WAN Migration Project through the State of Ohio Cooperative Purchasing Program, and through direct purchases of equipment not available through the State's Program and with a cost less than \$50,000, in a total amount not-to-exceed \$486,000.00. |

MOTION – Mayor Stefanik moved and Ms. Dumas seconded to adopt Resolution Nos. 261-18 through 265-18. Without objection, the motion carried unanimously.

Authorization to Enter into Contract

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| Resolution No. 266-18 | Authorization to enter into a one-year contract with PVS Technologies, Inc. for ferric chloride solution at all wastewater treatment plants in an amount not-to exceed \$537,900.00. |
| Resolution No. 267-18 | Authorization to enter into a construction contract with Independence Excavating, Inc. for the Big Creek Stabilization Project in an amount not-to-exceed \$6,505,860.00. |
| Resolution No. 268-18 | Authorization to enter into contract with Brown and Caldwell for the Westerly Wastewater Treatment Center Comprehensive Facilities Plan Project in an amount not-to-exceed \$1,300,000.00. |
| Resolution No. 269-18 | Authorization to enter into a one-year contract with Paladin Protective Systems, Inc. for maintenance services and support for the District's access control and video surveillance security systems in an amount not-to-exceed \$149,095.17. |
| Resolution No. 270-18 | Authorization to enter into a contract with AT&T Corporation for Wide Area Network (WAN) services from July 2018 to July 2023 under the State of Ohio Cooperative Purchasing Program in an amount not-to-exceed \$1,166,520.00. |
| Resolution No. 271-18 | Authorization to enter into a contract with AT&T Corporation for Internet Services from July 2018 to July 2021 in an amount not-to-exceed \$161,280.00. |

MOTION – Mr. Sulik moved and Mayor Stefanik seconded to adopt Resolution Nos. 266-18 through 271-18. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown requested an explanation for Resolution No. 267-18. Janet Popielski, SW Design & Construction Program Manager, advised that the creek was straightened when I-71 was built, which produced a lot of energy at the spillway that has caused damage over time. The project is to repair and replace it.

A large hole at the base of the spillway has been deteriorating for a number of years. Upstream of the spillway is a concrete-lined channel which has been deteriorating at a rapid rate for several years. The project posed a unique challenge in determining how to address the spillway with the

high flashy flows in the area, and its location adjacent to the railway, I-71, John Nagy Parkway and upstream of the zoo.

Ms. Popielski explained that the design was to replace the spillway with a rock cascade. The spillway and much of the concrete in the channel will be demolished. The area will be filled with some of that material and additional rock.

Mr. Brown questioned whether the design will be different, so it does not lead to similar damage in the future. Frank Greenland, Director of Watershed Programs, advised that this project is a much better design and will address the energy that caused these problems. The design is also a better design from a fish passage standpoint.

Mr. Ciaccia questioned whether the spillway will be removed and stated that people have jumped from there, leading to major lawsuits from a security standpoint. Ms. Popielski stated that one benefit will be that there will not be a pool to jump into. Staff has also worked very closely with Cleveland Metroparks on the design of sidewalks and fencing to deter people from the area.

Authorization to Amend Resolution

Resolution No. 107a-18

Authorization to amend Resolution No. 107-18 and enter into a 24-month requirement contract with C&K Industrial Services, Inc. to replace Green State Recycling, LLC for industrial cleaning services at District facilities in an amount not-to-exceed \$488,955.32.

Resolution No. 131a-18

Authorization to amend Resolution No. 131-18 and re-advertise for bids for the Bonny Banks Dredging Project with an engineer's opinion of probable construction cost of \$865,000.00.

MOTION – Mayor Stefanik moved and Mr. Ciaccia seconded to adopt Resolution Nos. 107a-18 and 131a-18. After the following discussion, without objection, the motion carried unanimously.

Referencing Resolution No. 107a-18, Mr. Brown inquired about what led to switching vendors. Frank Foley, Director of Operation & Maintenance, explained that Green State Recycling indicated that they wanted to withdraw from this contract. Some of the contractor's concerns included coordination among facilities and the timing of projects. They also believed some projects were too small to be profitable. The District also had concerns, which included the contractor's responsiveness for projects at Southerly and Westerly and concerns related to contractor safety. Mr. Foley indicated that he thought the major issue was that the contractor did not truly have a local presence due to being based in Cincinnati. The second lowest bidder was in the amount of \$488,955.32 and the bid from Green State was \$409,449.88.

Moving to Resolution No. 131a-18, Mr. Brown requested an elaboration. Mr. Greenland advised

that the Bonny Banks Basin has silted in and lost storage capacity. Staff is studying the basin in the Cuyahoga North Master Plan, but as an interim measure staff wanted to restore some storage capabilities. Staff will remove accumulated sediments and try to establish the original design intent of this basin.

Mayor Stefanik inquired whether contractors identify where they take the material. Ms. Popielski stated that the District does not direct the contractor where to take the material, but they must submit the final location to make sure it is appropriate.

Moving to the prevailing wage issue, Mr. Luckage advised that prevailing wage is paid on construction and repair projects but not on maintenance projects. The question for dredging projects is whether this action is repair or maintenance.

Initially, there was a strong staff opinion that this is maintenance work because the basin, though not optimal in its condition, was still functional, and was not broken to the point of repair. Staff concluded that it was more along the lines of maintenance work and it went out without a prevailing wage requirement.

Shortly after it was advertised, inquiries were made about the nature of the project. Staff took another look at it and consulted other entities that performed dredging work. Staff also talked to the Bureau Chief at Wage and Hour in Columbus at the Ohio Department of Commerce. Although the prevailing wage statute defines construction, it does not include dredging. The Bureau Chief alerted staff to a separate Administrative Code section that has another definition of construction that includes dredging.

Mr. Luckage stated that, concurrently, staff realized that there was a need to change some specifications and decided to withdraw the project, redo those specs and recalculate the estimate based on the prevailing wage.

Moving forward, these types of large dredging projects will be prevailing wage, if they meet the dollar thresholds that the State establishes. The smaller projects that are sediment and debris removal are maintenance, and those ones will not.

Authorization of Contract Modification

Resolution No. 272-18

Authorize the final adjusting modification of Contract No. 18001859 with The Great Lakes Construction Company for the Lower Twin Lakes Dam Emergency Repair Project by decreasing the contract amount by \$18,681.00 bringing the total contract price to \$198,595.00.

Resolution No. 273-18

Modify Contract No. 14002961 with PCM Sales, Inc. for application hosting services for the District's SharePoint application platform for a time

extension through August 31, 2020 and increase in the contract amount by \$168,324.24 bringing the total contract price to \$675,801.24.

MOTION – Ms. Dumas moved and Mr. Sulik seconded to adopt Resolution Nos. 272-18 through 273-18. After the following discussion, without objection, the motion carried unanimously.

Mr. Ciaccia urged staff to create Key Performance Indicators (KPIs) for Stormwater projects in the interest of consistency.

Authorization to Assign Engagement Agreement

Resolution No. 274-18

Authorization to assign the Engagement Agreement with Hunton & Williams, LLP to Hunton Andrews Kurth, LLP due to a merger between Hunton & Williams, LLP and Andrews Kurth Kenyon, LLP as special counsel to provide legal and other related advisory services related to the District's Consent Decree.

MOTION – Ms. Dumas moved and Mayor Bacci seconded to adopt Resolution No. 274-18. Without objection, the motion carried unanimously.

VII. Information Items

1. Program Management Status Report and Update

Devona Marshall, Director of Engineering & Construction, stated that Engineering and Construction has 91 active projects with a value of \$1.23 billion. That figure includes \$930 million in construction, \$262 million in design and \$42 million in planning. During the second quarter of 2018 the District entered into 12 new contracts and closed 5, bringing the total contract number to 104. Many projects are focused in the collection system, with \$998 million, and the remaining \$236 million is focused at the plants.

During the third quarter, staff will have five planned requests for proposals coming to the Board and plan to award two professional service contracts for an estimated total amount of \$1.9 million. That number also includes the Westerly Facilities Plan Project for \$1.3 million.

Ms. Marshall advised that Engineering and Construction has five planned construction awards in the total amount of \$53.8 million. The biggest item is improvements to the Southerly Second Stage System for an estimated \$44.8 million.

Six construction projects are planned to close during the third quarter -- including the Tunnel Dewatering Pump Station project, but that may slip into the early fourth quarter.

Moving to Project Clean Lake, Ms. Marshall advised that the District has 36 active projects and completed 22 projects. \$1.07 billion has been spent and/or awarded to date in 2009 dollars compared to the original estimated total cost of \$3 billion when the District entered into the decree. The District has realized \$450 million in savings, to date.

Project Clean Lake highlights in 2018 include achieving full operation of the Easterly Wastewater Treatment Plant Secondary Expansion Project, which is Control Measure 1 under the consent decree. Under this project, plant capacity was increased from 330 mgd to 400 mgd by installing six new clarifiers. Staff commenced construction of three projects, including the Westerly Storage Tunnel -- which is the fourth of seven tunnels constructed under Project Clean Lake -- and completed the design of four projects.

Cash flow ended the second quarter at 81%, which was below the KPI of 85%; staff is confident of reaching that goal by year's end.

Engineering and Construction has closed three projects in the amount of \$18.8 million, with final BOP participation at 23.6%, which exceeded the 16.3% goal. The current plan based on active projects is to spend \$35 million on BOP through the end of the year. Through June, \$21.1 million was spent which is above the planned \$19.3M due to unplanned work under the specific allowances and general allowances being performed by BOP firms.

Ms. Marshall advised that the District has met 1 of its 7 consent decree requirements in 2018, but the remaining 6 are not scheduled until the second half of the year.

Staff has completed designs within 60 days of average. The value-engineering KPI is \$20 million in 2018, and to date that figure is \$11.8 million. Overall, the District has also met the KPI in terms of engineer's estimates being under 10% of the average of the three lowest bids.

Ms. Marshall advised that during June staff claimed value engineering savings of \$115,000 on the Automation Program Management contract.

During June, the District awarded the construction of the Doan Valley Relief and Consolidation Sewer Project for \$13.5 million, which also met KPIs for being awarded within 60 days of plan and the Engineer's estimate. The London Road Relief Sewer Project was awarded for \$39.7 million within 60 days of planned but it did not meet the KPI for the engineer's estimate.

Moving on to construction level KPIs, substantial completion came in at 14 days on average -- well within the goal of 90. Staff did not meet KPI on closing the construction contracts within 95% of the original contract amount -- coming in at 96.56%. Work orders as a percentage of construction was 8.1%.

Two traditional design-bid-build projects closed in 2018. Many of the Work Orders on these two closed projects were under owner-requested changes at 2.9%, followed closely by unforeseen site conditions at 2.22%.

Ms. Marshall mentioned that the Lakeshore Boulevard Relief Sewer Project was activated on July 13. Staff is hopeful by the end of July that the Easterly Plant will be able to operate the Tunnel Dewatering Pump Station remotely. Staff will be activating shaft pickups and hopes to have the Euclid Creek Tunnel fully operational by the end of the fall.

Mr. Ciaccia noted that there are 36 Project Clean Lake projects and 22 have been completed. He expressed interest in seeing the actual spent in addition to 2009 dollars. He contended that the District has defrayed inflation costs because of good management and savings.

Mr. Brown stated that he was interested to hear whether any BOP firms have grown in terms of capabilities to a point where they are in positions for more significant work.

Robin Rupe, Project Manager, stated that the Automation Program intended to be piloted at Westerly before applying what is learned through it to Southerly and Easterly. The project includes updating hardware and software. Updated standards, developed on the Automation Program are being applied to the Capital Improvement Program as well. Other items include the new operations data management system for reporting to the EPA and backup batteries that help control programmable logic controllers.

Ms. Rupe stated that \$8.9 million of professional services has been completed, which is just over half of the contract. Specific allowances of \$258,000 have been allocated and 35% has been spent for additional wiring that needs to be replaced.

The general allowance fund is money set aside if there are other things that could benefit the project. That fund has had minimal expenditures so far but there will be a bigger hit next quarter, as the scope is revised on the Operational Data Management System Replacement Project to help refine the information learned during the study phase. Program completion is scheduled for October 2020.

Ms. Rupe advised that the controls group has done a phenomenal job working with the Purchasing Department and supplier to get a good inventory. Additional work that the group is self-performed, which enabled de-scoping some items from the consultant.

Half of the PLCs on current CIP projects were replaced at Westerly, but there are still 21 that are outdated. Ms. Rupe stated that in September advertising for the replacement of these PLCs will be requested with the goal to obtain better data collection, increase operation abilities and better documentation. Staff expects to authorize the project in January for October 2020 installation.

Ms. Rupe advised that staff will begin looking at Easterly and Southerly to determine how to apply some of the lessons learned into future design-build and design-bid-build projects.

VIII. Open Session

There were no items.

IX. Public Session (any subject matter)

There were no items.

X. Executive Session


There were no items.

XI. Approval of Items from Executive Session

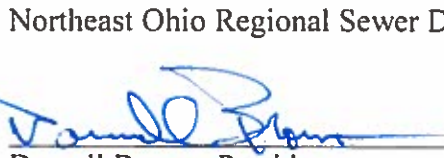
There were no items.

XII. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Ms. Dumas seconded the motion to adjourn at 1:29 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