

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
AUGUST 20, 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** – Mayor Bacci moved, and Ms. Dumas seconded to approve the Minutes of the August 6, 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, began her report by providing an update regarding the District's ongoing COVID-19 pandemic response. On August 10 the District implemented an application which enables all District staff to perform daily symptom self-monitoring on their smartphone or computer at the start of each workday. Ms. Dreyfuss-Wells indicated that the roll-

BOARD OF TRUSTEES

Regular Meeting

August 20, 2020

Page 2 of 9

out went smoothly and thanked District staff for their efforts to implement the application in a short time period.

As of August 19, nine District staff had tested positive for COVID-19. Of those, two are still experiencing symptoms, five have returned to work and two are going through the return to work process.

The District has been working at both the state and federal level to secure funding for District projects and to support customer assistance. At the federal level, the District continues to advocate for the establishment of a national affordability program, the reestablishment of federal grant funding, and rejection of any federally mandated suspension of service terminations. At the state level the District is advocating for a portion of the remaining federal CARES money to be available for customer assistance across the District's member communities.

On August 12 the Office of Contract Compliance partnered with GCRTA's business development program to host a webinar for interested businesses called "How to Become Certified". The joint event was the result of conversations with GCRTA's new CEO, India Birdsong, about the synergy of these to large, regional entities. Approximately thirty businesses participated in the webinar and the District's Contract Compliance Manager, Tiffany Jordan, noted that participants were asking questions and clearly preparing for certification. The District will follow up with each of the participating firms.

On August 18 the District hosted the Suburban Council of Governments meeting. The District updated the Council on its COVID-19 pandemic response, its racial justice work, and the Help is Here campaign designed to provide financial assistance to customers, the District's state and federal advocacy, and the Regional Stormwater Management Program.

Ms. Dreyfuss-Wells invited Ken Duplay, Chief Financial Officer, to provide the mid-year financial update.

Mr. Duplay indicated that the July monthly financial report was included in the Board Packet and added that the report indicates positive actual financial results through July. Since April, the District has been closely monitoring billing and collection data for potential COVID-19 impacts. The District has revised its projected revenue impacts from the range of \$50 million to \$60 million to the range of \$40 million to \$50 million, based on the updated actuals. This is still a very conservative estimate; however, June and July have had better consumption and collection rates than May, which was the worst month. The District continues to closely monitor the situation and will revise its estimates as information becomes available, while maintaining a conservative financial planning approach.

Mr. Duplay advised the Board that the District has just completed its midyear budget review, wherein Finance and the chief officers met with directors and managers from each District department to forecast operating expenses for the remainder of the year. The resulting year-end projections will be presented to the Board beginning with the August monthly report. . The District is still in a strong financial position, even considering the current projections of a potential \$40

million to \$50 million revenue loss, as the District is still projected to exceed targets on debt service coverage and other financial ratios.

The District is not currently instructing staff for any new cuts to expenses or capital. It is holding the cuts obtained earlier in the year and continuing the partial hiring freeze.

V. Action Items

Authorization to Purchase

Resolution No. 229-20 Authorization to purchase PC desktops, laptops, monitors and accessories from Dell Marketing, L.P. under the State of Ohio Cooperative Purchasing Program in an amount not-to-exceed \$219,398.81.

**MOTION** – Mr. Sulik moved, and Mr. Joyce seconded to adopt Resolution No. 229-20. Without objection, the motion carried unanimously.

Authorization to Enter Into Agreement

Resolution No. 230-20 Authorization to enter into a loan agreement with the Ohio EPA and the Ohio Water Development Authority to accept WPCLF funding for design costs related to the Easterly/Westerly Electrical Service Improvements project for a total amount up to \$677,644.24.

Resolution No. 231-20 Authorization to enter into a loan agreement with the Ohio EPA and the Ohio Water Development Authority to accept WPCLF funding for construction costs related to the Morgana and Burke System Improvements project for a total amount up to \$6,697,602.50.

**MOTION** – Mayor Alai moved, and Ms. Dumas seconded to adopt Resolution Nos. 230-20 through 231-20. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 221-20 Authorization to enter into a three-year requirement contract for Industrial Cleaning Services with Jordan Services, LLC for Bid Group 1 – Wastewater Treatment Plants in an amount not-to-exceed \$344,136.80, and a three-year requirement contract for Industrial Cleaning Services with C&K Industrial Services, Inc. for Bid Group 2 – Collection System in an amount not-to-exceed \$201,690.00, for a total amount not-to-exceed \$545,826.80.

BOARD OF TRUSTEES

Regular Meeting

August 20, 2020

Page 4 of 9

Resolution No. 232-20 Authorization to enter into a one-year contract with Carahsoft Technology Corp. for renewal of software licensing and support for the Salesforce Service Cloud application in an amount not-to-exceed \$88,089.46.

**MOTION** – Mr. Sulik moved, and Mr. Joyce seconded to adopt Resolution Nos. 221-20 and 232-20. After the following discussion, without objection, the motion carried unanimously.

Mayor Alai asked whether the numbering of Resolution No. 221-20 is a typographical error. President Brown advised that this resolution was held over from a previous meeting and asked for an explanation of why the Resolution is now on the agenda, why it was previously removed, and to address the fact that it does not appear to include any Business Opportunity Program firms.

Frank Foley, Director of Operation and Maintenance, explained that the request had been removed from an earlier Board of Trustees meeting, as the prior Resolution Request inadvertently requested award to only one contractor. It was bid out as two groups and later realized that there was a lower bid in one of the groups, meaning that the recommended award needed to go to two different contractors at a slightly lower rate than the initial request.

Regarding development, the Office of Contract Compliance has reached out to other local governmental entities in search of a list of industrial cleaning contractors that are certified in their programs, to ascertain whether those contractors can be certified under the District's program. Additionally, the District will reach out to the bidders and any contractors who have done this work for the District in the past to determine whether they may also become certified under the program.

Mr. Foley added that there is difficulty for small businesses to enter into this field, as some of the equipment that is utilized in the work costs several hundred thousand dollars.

Authorization to Amend Agreement

Resolution No. 233-20 Authorization to amend Agreement No. 18007038 with Nearmap US, Inc. for the Aerial Imagery Services project to exercise the District's option to renew the agreement for an additional two-year period in a total additional amount for both years of \$240,000.00, thereby bringing the total agreement amount not-to-exceed \$480,000.00.

Resolution No. 234-20 Authorization to amend Design-Build Agreement No. 19005602 with Nerone & Sons, Inc. for the Dille Rd./Barberton Creek Pump Stations Upgrades project to incorporate a Guaranteed Maximum Price of \$3,025,239.81 necessary for the construction portion of the project, thereby bringing the revised total agreement amount not-to-exceed \$3,362,437.81.

**MOTION** – Mayor Bacci moved, and Ms. Dumas seconded to adopt Resolution Nos. 233-20 through 234-20. After the following discussion, without objection, the motion carried unanimously.

President Brown asked for additional information regarding both Resolution Nos. 233-20 and 234-20.

Frank Greenland, Director of Watershed Programs, explained that in 2018, the District entered into a two-year contract with Nearmap US, Inc. (Nearmap) with an option to renew.

Nearmap typically runs two to three aerial flights per year and provides information that is extremely helpful. In stormwater management, the services are used to evaluate impervious cover for billing purposes, and changes in streams and watersheds. Additionally, Nearmap has been running two to three flights per year since 2014, and having access to that historical data has been very useful to the stormwater program, the wastewater program, and some outside consultants to utilize for things like design, updating stormwater billing files, inspection and maintenance, and master planning. The District is satisfied with Nearmap's performance and feels that the product is very good.

President Brown thanked Mr. Greenland for the explanation and noted that, regarding Resolution No. 234-20, this was a design-build project that at 60% of design completion, the District negotiated a guaranteed maximum price (GMP) on the project. President Brown asked for additional information regarding the process and how the District ensures that it will get good pricing.

Devona Marshall, Director of Engineering and Construction, explained that this project is being completed via a progressive two-step design-build delivery. The first step was bringing it to the 60% design level. As part of the first step, the District negotiates the GMP with the design-builder. Additionally, a third-party review of the GMP is performed before it is finalized and presented to the Board. Importantly, in this design process, it is required that the design-builder solicit bids for all work including the work they intend to self-perform. This typically occurs after the GMP is developed and sometimes results in the District getting a lower and better bid for the work, creating cost savings on the project.

#### Property Related Transaction

Resolution No. 235-20      Authorizing the District to acquire one parcel in fee simple on property known as PPN 552-11-087, located at 3340 Forest Overlook, in the City of Seven Hills, owned by Anibal Estremera Jr. and Ilia Estremera, necessary for the construction and maintenance of the Hemlock Creek Bank Stabilization-Seven Hills project, to enter into a lease agreement with Anibal Estremera Jr. and Ilia Estremera, and to allow for the entirety of the payment to be disbursed to Innovative Title and Escrow Services, LLC with total consideration of \$285,000.00 plus closing costs.

**MOTION** – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution No. 235-20. Without objection, the motion carried unanimously.

Authorization to Grant Credit

Resolution No. 236-20            Authorizing the District to issue a credit adjustment in the total amount of \$29,902.60 against sewer charges on NEORSD account ending in 60000 for Richard and Mary Ann Stuhan, 2865 Falmouth Road, Shaker Heights.

Resolution No. 237-20            Authorizing the District to issue a credit adjustment in the total amount of \$91,240.78 against sewer charges on NEORSD account ending in 0004 for Tree of Knowledge Learning Center, 736 Lakeview Road, Cleveland.

**MOTION** – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution Nos. 236-20 through 237-20. Without objection, the motion carried unanimously.

VI.    Information Items

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

Regarding cashflow, the month of July ended at 76% of planned, which is in line with the two previous months. The Westerly Storage Tunnel Project is affecting the key performance indicator (KPI) goal of 85%, due to two months of lost construction time because of COVID-19 and slower than planned tunnel mining. It is anticipated that, while the 85% KPI likely will not be met, there will be some opportunity to make up for some cashflow in November and December as the mining operation will continue into those months and it was originally planned to end in October.

As for actual dollars spent, approximately \$15 million was paid out in July and \$102 million year-to-date.

The design of the Easterly Outfall Sewer Repairs project was completed within 60 days of planned, meeting its KPI.

Construction contracts were awarded for the West 3<sup>rd</sup>/Quigley Westerly Miscellaneous CSO Control Project and the Westerly Steam Grease Handling Boilers Replacement Project, both within 60 days of planned and the average of the three lowest bids on both projects were within 10% of the engineer's estimate, meeting those KPIs.

A construction contract was also awarded for the Westerly Tunnel Dewatering Pump Station Project within 60 days of planned meeting that KPI. Although it did not meet the KPI for the engineer's estimate, as the average of the three lowest bids was not within 10% of the estimate,

there was a \$7.7 million bid savings as the lowest bid was \$27.3 million and the engineer's estimate was \$35 million.

Regarding construction level KPIs, the construction contract for the Cuyahoga Valley Interceptor Walton Hills Trunk Sewer Repair Project, which was a \$170,000 contract, was closed within 95% of the original contract amount, meeting that KPI. Although there were not business opportunity program (BOP) goals on this project due to its limited scope, the projected actual BOP participation is 100%, as the prime contractor is a certified BOP firm. Looking at the total work orders by change categories as a percent of construction, the District did issue one work order on this project for \$2,000, which equates to the 1.19% of the total construction cost and was allocated to the category of owner requested changes.

Ms. Marshall moved the presentation to construction highlights involving the six active contracts at the Easterly Wastewater Treatment Plant (WWTP), which is located in the City of Cleveland on the border of Bratenahl. It discharges directly to Lake Erie, serves 16 communities, has an average daily flow of 90 million gallons per day, and an overall primary and secondary capacity of 400 million gallons per day.

The first project is the Bar Screen Conveyor Belt Rehabilitation Design-Build Project which has a \$3.3 million GMP. It includes installation of a new conveyor system that transports the material removed by the bar screens located at the head works. It is transported to bins for off-site disposal. These improvements will aid the overall operational reliability of the system and help with ease of maintenance. As Ms. Marshall previously mentioned in the action item, the design-build process requires the design-builder to solicit bids for all work, and through this process, there was a cost savings of \$768,000 for installation of the conveyors. Regarding construction status, the south conveyor is installed, and startup completed. The process of installing the north conveyor is underway and this project overall is scheduled to achieve substantial completion in October of 2020.

The Aeration Tank Rehabilitation Improvements Project is a \$10.4 million construction contract entailing repair and renewal upgrades to the aeration process and system at the Easterly WWTP. This includes replacement of the diffuser membranes, installing a new floor flushing system as well as a new pipe flushing system that helps with cleaning out and maintaining the system, structural repairs to the tanks themselves, and installing more efficient blowers to aid in overall cost savings and performance of the operation of this system. Work has been completed in three of the eight aeration tanks thus far and substantial completion on this project is scheduled for September 2021.

The Easterly/Westerly Low Voltage Equipment Replacement Design-Build Project has a GMP of \$11.1 million and entails the replacement of aging and obsolete electrical equipment. This includes replacement of the motor control centers, distribution panels, and transformers at both of these plants. As for the work at the Easterly WWTP, 42 of the 45 planned panel and transformer replacements are completed as are 12 of the 17 MCC replacements. This project is scheduled to achieve substantial completion in July 2021.

The three remaining projects at Easterly are as follows:

The Easterly/Southerly Fiber Replacement Design-Build Project which has a GMP of \$3.8 million. This project is in the early stages of construction and is scheduled to achieve substantial completion in October 2022.

The District-Wide Roof Improvements Project is a \$2.8 million construction contract. The portion of the work at the Easterly plant which includes the repair of two roofs has been completed. The project overall is scheduled to achieve substantial completion in February 2022.

Last, the District-Wide HVAC Equipment and System Upgrade Project, which is a \$4.9 million construction contract and is in early stages of construction. Work at Easterly has yet to commence as the focus thus far has been on EMSC, GJM and Southerly. This project is scheduled to achieve substantial completion in February 2022.

President Brown thanked Ms. Marshall for her update, noted that the District has been busy, adding that July was a good month and is impressed when pricing comes in under the engineer's estimate.

Open Session

There were no items.

VII. Public Session (any subject matter)

There were no items.

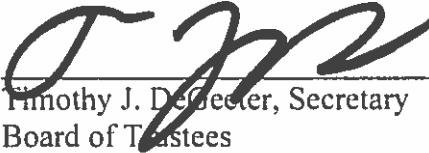
VIII. Executive Session

There were no items.

IX. Adjournment

**MOTION** – President 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 1:03 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