

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
September 5, 2019

A Regular Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:33 p.m. by Darnell Brown.

I. Roll Call

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

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

II. Approval of Minutes

**MOTION** – Mayor Bacci moved and Mr. Sulik seconded to approve the Minutes of the August 15, 2019, 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 stating that on August 22<sup>nd</sup> the District completed the successful advance refunding of a portion of the District's debt. She introduced Ken Duplay, Chief Financial Officer, to speak about the transaction.

Mr. Duplay reminded the Board that on June 20<sup>th</sup> the District requested authorization of a refunding transaction of a portion of the 2010 Build America Bonds. Since then, Mr. Duplay said working closely with the District's financial advisor from Baker Tilly, the District met with rating agencies Moody's and S&P on August 8<sup>th</sup>. Both agencies affirmed the District's ratings and pointed out strengths, including strong leadership and financial leadership and continuity of that leadership. The District overall has a strong financial position in liquidity and other metrics. Less favorable aspects are related to the current debt load and future debt load related to the consent decree, but Mr. Duplay stated that given all of the factors, the District is happy with the good results. The bonds were priced on August 22<sup>nd</sup> in New York. When the process was started, there was about 8% savings on about \$250 million of the 2010 bonds. Everything moved in the District's favor and ended closing with 14.7% savings - \$37 million net present value savings that equates

to \$47.3 million gross debt service savings between now and 2040. The transaction went exceptionally well from beginning to end and a lot of District staff from Finance and other departments contributed to building the official statement. This transaction along with the 2017 refunding which was about \$18 million in net present value savings are examples of how the District is looking to save money for the ratepayers. Also included are the \$475 million of value engineering, the savings the District has realized on awarded consent decree projects as well as over \$70 million present value of various savings initiatives on the Operations side, including Operational Readiness related improvements and optimizations at the Renewable Energy Facility (REF).

Mr. Brown congratulated Mr. Duplay on an outstanding outcome. Ms. Dreyfuss-Wells thanked Mr. Duplay and District staff that helped in the effort. She also stated that on August 27<sup>th</sup>, the District hosted Congressman Anthony Gonzalez from the 16<sup>th</sup> US Congressional District to tour the Southerly plant and the Lab. Congressman Gonzalez's district overlaps with the District for portions of Olmsted Township, Olmsted Falls, Berea, Middleburg Heights, Parma, Parma Heights, Strongsville and North Royalton. Legislative Affairs organized the visit. Analytical Services did the tour of the Lab, talking about daily permit compliance and some of the issues Congressman Gonzalez was interested in related to harmful algal blooms, phosphorus and other questions. Southerly staff explained to the Congressman how they treat wastewater for 530,000 people and they took him through the REF.

Ms. Dreyfuss-Wells stated the District was awarded with the prestigious 24<sup>th</sup> Annual Achievement in Excellence in Procurement for 2019 from the National Procurement Institute. The award recognizes excellence in both public and non-profit agencies that demonstrate a commitment to procurement excellence. The District also received the award in 2015, 2016, and 2018.

Mr. Brown stated that when the District entered into the consent decree process and started talking about the tools available, whether it be low interest loans or refinancing, it had no idea where the rates were going to go. He said at some point he would like to have a candid conversation about all of the things that have resulted in significant cost savings and where our trajectory will take the District to the extent that the District is still engaged with the Federal and State EPAs in terms of looking at some of the late term project delivery and doing value engineering as well so that there is an understanding about the accomplishments to mitigate some of the costs or the impacts of where rate structures could have been had we not used these tools effectively and efficiently.

## V. Action Items

### Authorization to Advertise

Resolution No. 229-19      Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for a three-year requirement contract for Predictive Maintenance Services at all Wastewater Treatment Plants with an anticipated expenditure of \$325,000.00.

Resolution No. 230-19 Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the purchase of one Next Generation Sequencer for the analysis of gastrointestinal bacteria DNA with an anticipated expenditure not-to-exceed \$100,000.00.

**MOTION** – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution Nos. 229-19 and 230-19. Without objection, the motion carried unanimously.

Authorization to Issue Request For Proposals (RFP)

Resolution No. 231-19 Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 6119, for software and professional services for the SIEM System Implementation project.

Resolution No. 232-19 Authorization to issue an RFP, in accordance with Ohio Revised Code Chapter 153, for environmental assessment services in support of the District’s Capital Improvement Program and Regional Stormwater Management Program.

**MOTION** – Mr. Sulik moved and Ms. Dumas seconded to adopt Resolution Nos. 231-19 and 232-19. Without objection, the motion carried unanimously.

Authorization to Purchase

Resolution No. 233-19 Authorize the purchase of labor and materials from sole source vendor Boiler Specialists, Inc. to repair one Fulton heating boiler at the Easterly Wastewater Treatment Plant in an amount not-to-exceed \$60,000.00.

Resolution No. 234-19 Authorize the purchase of labor and materials to replace the Accusonic effluent flowmeter and perform recertification services for six other District Accusonic flowmeters at the Easterly Wastewater Treatment Plant from sole source vendor ADS, LLC in an amount not-to-exceed \$61,800.00.

**MOTION** – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution Nos. 233-19 and 234-19. Without objection, the motion carried unanimously.

Authorization to Enter Into Agreement

Resolution No. 235-19 **WITHDRAWN**

Resolution No. 236-19 Authorization to enter into a professional services agreement with Jacobs Engineering Group for the Chippewa Creek Flood Reduction Near Echo Lane project in an amount not-to-exceed \$2,086,000.00.

**MOTION** – Mayor Stefanik moved and Mr. Sulik seconded to adopt Resolution No. 236-19. Without objection, the motion carried unanimously.

Authorization to Enter into Contract

Resolution No. 237-19 Authorization to enter into a twelve-month requirement contract with PVS Technologies, Inc. for Ferric Chloride Solution at all Wastewater Treatment Plants in an amount not-to-exceed \$610,500.00.

Resolution No. 238-19 Authorization to enter into construction contract with Pirc Company Landscaping & Snowplowing, LLC for the Site Restoration Services II project in an amount not-to-exceed \$420,155.98.

**MOTION** – Mr. Sulik moved and Ms. Dumas seconded to adopt Resolution Nos. 237-19 and 238-19. After the following discussion, without objection, the motion carried unanimously.

Devona Marshall, Director of Engineering and Construction, stated that as part of these projects there was a lot of community engagement and input from not only Councilman Conwell and Councilman Hairston, but staff from St. Martin de Porres Family Center, St. Aloysius Church, and Famicos Foundation. Input was also received from Cleveland City Planning. Input was received during design phase as well as the progression into construction.

Authorization of Contract Modification

Resolution No. 239-19 Authorizing final adjusting change order for Contract No. 18007311 with Marra Services, Inc. for the Spring Creek Culvert Rehabilitation project by decreasing the contract amount by \$64,128.49, thereby bringing the total contract amount to \$693,909.01.

**MOTION** – Ms. Dumas moved and Mayor Bacci seconded to adopt Resolution No. 239-19. Without objection, the motion carried unanimously.

Sewer Use Code Matters

Resolution No. 221-19 Adopting the findings of the Hearing Officer with regard to the sewer charges on the account of Mr. Michael Jackson, Sewer

District Hearing No.19-016, that the customer's request be denied.

Resolution No. 240-19 Adopting the findings of the Hearing Officer with regard to the sewer charges on the account of Ms. Andrejatta Casey, Sewer District Hearing No.19-021, that the customer's request be denied.

**MOTION** – Mayor Stefanik moved and Ms. Dumas seconded to adopt Resolution Nos. 221-19 and 240-19. Without objection, the motion carried unanimously.

Property Related Transaction

Resolution No. 241-19 Authorizing the District to enter an Amendment to Sewer Easement with 1475 W29th LLC relative to a permanent easement on parts of PPN 003-27-019, 003-27-020, 003-27-021, 003-27-065, 003-27-066 and 003-27-088 on W. 28<sup>th</sup> Street in Cleveland, to clarify the owner's rights to develop the surface property and to construct improvements to a depth of twenty feet, with no additional cost to the District.

Resolution No. 242-19 Authorizing the District to acquire one parcel in fee simple, known as PPN 761-16-082, located at 19910 Longbrook Drive, in the City of Warrensville Heights, owned by Ardella D. Love, necessary for the construction and maintenance of the Mill Creek Bank Stabilization project, and to enter into a lease agreement with Ardella D. Love with total consideration of \$85,000.00 plus closing costs.

Resolution No. 243-19 Authorizing the District to acquire one permanent stormwater easement known as part of PPN 794-21-050 on property located on Rauland Drive, in the City of Walton Hills, owned by Karen M. Robison, fka Karen M. Brasdovich, necessary for the construction and maintenance of the Walton Hills Streambank Repair Maintenance project with total consideration of \$1.00.

Resolution No. 244-19 Authorizing the District to acquire one permanent easement known as part of PPN 107-01-001, located on East Blvd., in the City of Cleveland, owned by the City of Cleveland, necessary for the construction and maintenance of the Doan Valley Relief and Consolidation Sewer project with total consideration of \$16,920.00.

**MOTION** – Mr. Sulik moved and Mayor Stefanik seconded to adopt Resolution Nos. 241-19

through 243-19. Without objection, the motion carried unanimously.

**MOTION** – Mr. Sulik moved and Mayor Bacci seconded to adopt Resolution No. 244-19. Without objection, by roll call vote, the motion carried with all present members voting yes and refusal from discussion and voting abstention by Mr. Brown and Ms. Dumas.

Authorization to Grant Credit

Resolution No. 245-19     Authorizing the District to issue a credit adjustment in the amount \$34,867.57 against sewer charges on NEORSD Account No. ending 60001 for Coral Shaker Sq. LLC at 13200 Shaker Square in the City of Cleveland.

**MOTION** – Mayor Stefanik moved and Mayor Bacci seconded to adopt Resolution No. 245-19. Without objection, the motion carried unanimously.

Authorization to Implement

Resolution No. 246-19     Authorization to implement the 2020 Watershed Partners Service Agreement Program in an amount not-to-exceed \$400,000.00.

**MOTION** – Mr. Sulik moved and Mayor Stefanik seconded to adopt Resolution No. 246-19. Without objection, the motion carried unanimously.

VI.     Information Items

There were no items.

VII.     Open Session

There were no items.

VIII.     Public Session (any subject matter)

There were no items.

IX.     Executive Session

Mayor Bacci moved pursuant to Ohio Revised Code Section 121.22(G)(1) and (3), to enter into Executive Session to consider the employment and compensation of a public employee and to consult with District's legal counsel concerning disputes involving the District that are the subject of pending or imminent court action. Roll call vote: all yes, entered into executive session at 12:58 p.m.


X. Approval of Items from Executive Session

Resolution No. 247-19 Authorization to ratify a Settlement Agreement and General Release between the District and Angela Smith, including ratification of a salary in excess of the S14 pay grade salary range, as presented.

**MOTION** – Mr. Sulik moved and Mayor Bacci seconded to adopt Resolution No. 247-19. Without objection, the motion carried unanimously.

XI. Adjournment

**MOTION** – Mr. Sulik moved and Mayor Bacci seconded the motion to adjourn at 1:19 p.m. Without objection, the motion carried unanimously.



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



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