

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
SEPTEMBER 7, 2017

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
J. Bacci
J. Ciaccia
S. Dumas
R. Stefanik

ABSENT: T. DeGeeter

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

II. Approval of Minutes

MOTION – Mayor Bacci moved and Mayor Stefanik seconded to approve the minutes of the August 17, 2017, 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 announcing that for the second time the District was named one of 99 great workplaces in Northeast Ohio for top talent on the North Coast 99 Survey. The award recognizes workplaces that have policies and practices to attract and retain top talent.

John Corn, Human Resources (HR) Manager for Training and Development, was honored on August 17 with Crain's Cleveland Archer Award, which recognized the successful implementation of the Maintenance Training Program. The Archer Award celebrates Northeast Ohio HR professionals that build companies with the best people, talent, development and culture. The Maintenance Training Program is focused on this pipeline and is a key part of Operational Readiness in terms of plant and field maintenance staff.

The program includes instructor-led classroom training, computer-based training, job training and competency-based evaluations in partnership with the Operator Training Committee of Ohio and the Workforce in Economic Development at Tri-C.

The District is seeking State accreditation as an apprenticeship program for the Maintenance Training Program. A Wastewater Plant Operator Training Program is also underway.

Moving to the next subject, CEO Dreyfuss-Wells advised the Board that on August 28 she and Joe Jenkins, Government Affairs Specialist, and Jeff Jowett, Senior Watershed Team Leader, met with City of Lyndhurst Mayor Ward, who is the new mayor. Mayor Ward's predecessor, former Mayor Cicero, strongly opposed the District's Regional Stormwater Management Program. Since then staff has provided excellent service to Lyndhurst and they are utilizing the program. Lyndhurst also has a Member Community Infrastructure Program Grant and are using their Community Cost Share.

On September 6, Frank Greenland, Director of Watershed Programs, Matt Scharver, Manager of Watershed Programs, and Donna Friedman, Watershed Team Leader, attended a meeting in Parma Heights during which Mayor Byrne hosted one hundred residents who had experienced basement and street flooding during the April 19 and June 30 storms. District staff, the City Engineer and Cuyahoga County Public Works were there to discuss the extensive work being performed and ways to help the community. Parma Heights has received over 1,300 calls related to flooding in 2017 alone.

Closing her report, CEO Dreyfuss-Wells invited everyone to the District's Open House that will take place on Saturday, September 16.

Kenneth J. Duplay, Chief Financial Officer, stated that last Tuesday staff met with the rating analysts from Moody's and S&P ahead of the upcoming bond refinancing. Both agencies affirmed the District's ratings and pointed out strengths, including the Board and its commitment to strong conservative fiscal leadership. The District overall has a strong financial position in liquidity and other metrics. Additionally, both agencies were pleased with the current management team and their institutional knowledge despite turnover at the senior level.

The Board recognized the superior job HR has done in recruitment and that the work environment in and of itself is super.

V. Action Items

Authorization to Advertise

Resolution No. 256-17

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the Westerly Wastewater Treatment Center Fiber Replacement Project with an engineer's

opinion of probable construction cost of \$1,000,000.00.

MOTION – Mayor Stefanik moved and Ms. Dumas seconded to adopt Resolution No. 256-17. After the following discussion and without objection, the motion carried unanimously.

Mr. Brown requested an explanation as to how this fits into where the District is going in terms of automation of all three plants. Robin Rupe, Project Manager, explained that there is \$65,000,000 invested in automation equipment.

Programable logic controllers are computers that make a pump start at a certain time and valves open at a certain time. Operator Interface Terminals are screens on panels that operators can use to control the equipment.

Network devices include routers, servers and switches that transmit data. The instrumentation is different pieces of equipment that measure levels throughout our systems. Fiber is the backbone on which the information is transmitted.

The move to automation began in the late 1990s and early 2000s. Once work was completed, staff rolled out the Automation Organizational Assessment. This program assessed the equipment and helped determine how to staff and maintain all the equipment.

Ms. Rupe stated that the Automation Master Plan was implemented in the mid-2010s to look at all the equipment initially installed and figure out what needed to be upgraded and a time frame in which to do so. After 20 years, it was determined that much equipment needed replacement. Last June an Automation Program Management Project began that included several tasks to implement upgrades to the system.

Automation Program Management is the implementation of the recommendations from the Automation Master Plan including upgrading the programable logic controllers. Westerly will be the pilot location for the installation of the programable logic controllers. This pilot will help vet the issues confronting the replacement. The next phase will include Southerly, Easterly and collections.

The tasks developed under the Automation Program are broken into short-term and long-term. The short-term tasks will help build the platform at which staff can upgrade the rest of the equipment.

The District has 48 different tasks to be implemented under the program. Most of the work is being performed by HDR, the consultant hired to perform the first phase of the program. Three construction projects will come from this phase of the program.

The first construction project is the Westerly replacement of programable logic controllers. The second is improvements to Uninterruptible Power Supplies and the third is the one under Board consideration now, the Westerly fiber replacement.

Additionally, there will be direct award hardware purchases and software purchases which are expected to come to the Board within the next couple months to support the upgrades.

Ms. Rupe advised that the Westerly fiber replacement would be a 17-month construction duration and Phase 2 would begin in late 2018 or early 2019, including upgrades to the programable logic controllers and various improvements that will be needed at the other locations.

Over time the District has brought more equipment online to be automated and had to splice and patch together fiber to make sure new data brought into the system could transmit. However, this continued approach is not acceptable moving forward as the programable logic controllers are replaced in the future. Staff intends to replace all of the fiber with more modern single mode fiber, allowing the network to transmit data farther and with bandwidth capabilities for additional data.

Authorization to Issue Request for Proposals (RFPs)

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| Resolution No. 257-17 | Authorize RFPs, in accordance with Ohio Revised Code Chapter 6119, for the Biosolids Incinerator Ash Management Program. |
| Resolution No. 258-17 | Authorize RFPs, in accordance with Ohio Revised Code Chapter 6119, for 2018 Occupational Health Care Services with three one-year options to renew. |

MOTION – Mayor Bacci moved and Ms. Dumas seconded to adopt Resolution Nos. 257-17 through 258-17. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract(s)

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| Resolution No. 259-17 | 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 Kingsbury Run Culvert Repair project totaling \$9,871,800.00. |
| Resolution No. 260-17 | Authorization to enter into a two-year professional services contract with HDR Engineering, Inc. for the Support Services for Automation (SSA-3) project in the amount of \$1,500,000.00. |
| Resolution No. 261-17 | Authorization to enter into a two-year contract with Nerone and Sons, Inc. to provide maintenance services for the District's Combined Sewer Overflow floatables control sites in the amount of \$499,604.00. |

Canal Road for six months in relation to an ODOT project, for the total consideration of \$1.00.

Resolution No. 268-17

Authorize the District to acquire a temporary easement, located in the City of Cleveland, from Carol A. Robinson for the construction of the Woodland Central Green Infrastructure Project with a consideration of \$500.00.

Resolution No. 269-17

Authorize the District to acquire three permanent easements, located in the City of Cleveland, from Two Docs, Ltd. and Little Italy Development, LLC for the construction of the Doan Valley Tunnel Project with a total consideration of \$131,450.00.

Resolution No. 271-17

Authorize the District to acquire four temporary easements, located in the City of Cleveland, from Airport Gardens Hotel, Ltd. Necessary for the construction of the Emerald Parkway Culvert Repair Project with a total consideration of \$75,448.00.

Resolution No. 272-17

Authorize the District to acquire three hoop houses, located on property in the City of East Cleveland, from Valerie A. Gary-Walker and Jazzmine Gary necessary for the East 140th Consolidation and Relief Sewer project, with a total consideration of \$20,205.00.

MOTION – Mr. Ciaccia moved and Mr. Sulik seconded to adopt Resolution Nos. 267-17 through 269-17 and 271-17 through 272-17. After the following discussion and without objection, the motion carried unanimously.

Referencing Resolution No. 269-17, Mr. Ciaccia noted that he is on the Board of the Little Italy Redevelopment Corporation, which is a not-for-profit corporation and a completely different entity than Little Italy Development, LLC.

Continuing discussion on the resolution, Mr. Brown stated that he was trying to understand how it relates to the alignment of the Doan Valley Tunnel Project.

Doug Lopata, Program Manager, advised that Resolution No. 269-17 encompasses three different subsurface easements where staff is tunneling an 18-foot diameter tunnel underneath the properties along the railroad tracks. The tunneling will be 70 to 80 feet deep, but the prices in the University Circle area for the surface values are very high. The District pays a 10% to 25% rate on these

compared to the surface rates because they are subsurface.

Authorization to Adjust

Resolution No. 273-17

Authorize a credit adjustment in the amount of \$92,657.94 against outstanding sewer charges on NEORS account No. 8974800004 for Gates Mills Place at 6805 Mayfield Rd., Mayfield Heights, OH 44124-2202 for a like and consistent credit adjustment already granted by the Cleveland Division of Water on the customer's water charges.

MOTION – Mayor Stefanik moved and Ms. Dumas seconded to adopt Resolution No. 273-17. Without objection, the motion carried unanimously.

Authorization to Renew

Resolution No. 274-17

Authorization to renew one-year subscription for Aerial Imagery Data Services provided by Nearmap US, Inc. in the amount of \$99,999.00.

MOTION – Mr. Sulik moved and Mayor Bacci seconded to adopt Resolution No. 274-17. 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

MOTION – Mayor Bacci moved and Mr. Sulik seconded to enter into Executive Session pursuant to Ohio Revised Code Section 121.22(g)3 and 6 to consider security arrangements and emergency response protocols and to consult with the district's legal counsel concerning imminent and pending court action. Without objection, the motion carried unanimously.

The Board met in Executive Session from 1:03 p.m. to 1:53 p.m.

X. Approval of Items Following Executive Session

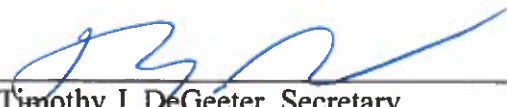
Upon returning to open session, the Board considered three additional items:

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| Resolution No. 275-17 | Authorization to engage Hunton & Williams as special counsel to provide legal and other related advisory services related to the District's Consent Decree. |
| Resolution No. 276-17 | Authorization to enter into contract with Securestate for the development of the District's security program in the amount of \$300,730.00. |
| Resolution No. 270-17 | Authorize the District to declare its intent to appropriate two permanent sewer easements and two temporary easements at 2111 and 2151 Scranton Road (PPN 004-27-011 and 004-27-009) in the City of Cleveland, owned by Scranton-Averell, Inc., and necessary for the construction of the Westerly Storage Tunnel Project, and to deposit with the Cuyahoga County Probate Court \$470,627.00, the combined appraised fair market value of the four easements. |


MOTION – Mr. Ciaccia moved and Ms. Dumas seconded to adopt Resolution Nos. 275-17, 276-17 and 270-17. Without objection, the motion carried unanimously.

XI. 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 1:55 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