

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
OCTOBER 19, 2023

A Regular Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District (NEORS) was called to order at 12:30 p.m. by Darnell Brown.

I. Roll Call

Present: Darnell Brown  
Ronald Sulik  
Timothy DeGeeter  
Jack Bacci  
Sharon Dumas  
Samuel Alai

Absent: Marjorie Chambers

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

II. Approval of Minutes

**MOTION** – Mayor Bacci moved, and Mayor Alai seconded to approve the Minutes of the October 5, 2023 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, advised the Board that on October 5 NEORS hosted a webinar regarding the commencement of the Lower Shaker Lake Dam Reconstruction project. The webinar was attended by 53 people and was followed by an in-person open house at the Lower Shaker Lake Spillway on October 7. Despite the wet weather, approximately 50 people attended the in-person event where the attendees met the project team, asked questions, learned about the project, and discussed how they use the park. The project is in the early pre-design phase and the design team will continue to collect information and evaluate several design alternatives. The next public engagement event for this project will likely be held in the spring. NEORS will continue coordinating with the Cities of Shaker Heights and Cleveland Heights, and other stakeholders, as the project progresses.

On October 12 NEORSD hosted the pre-bid meeting for the Southerly Tunnel Consolidation project at The Centers for Families and Children building to accommodate approximately 112 attendees which included potential primary contractors and subcontractors. The Southerly Tunnel Consolidation project will be the largest NEORSD tunnel project to date with an estimated cost of \$347 million. NEORSD's Office of Contract Compliance was onsite to answer questions regarding MBE/WBE and SBE certification with NEORSD. The pre-bid meeting was well attended, as NEORSD invited BOP firms, notified the Black Contractors Association, Hispanic Chamber of Commerce, and the Urban League of Greater Cleveland, as well as advertised the event in the Plain Dealer and Call-n-Post.

Last week, two national conferences were held in Cleveland, The Great Lakes St. Lawrence Governors and Premiers 2023 Leadership Summit, and The Healing Our Waters Great Lakes Coalition's Great Lakes Conference 2023. NEORSD sponsored and participated in both events which featured site visits and discussions surrounding a range of issues related to the Great Lakes, providing a national focus on the work being performed in Northeast Ohio.

V. Action Items

Authorization to Advertise

Resolution No. 283-23      Authorization to publish notice calling for bids on a public improvement contract to construct the Southerly Tunnel Dewatering Pump Station Electrical Service project, in accordance with Ohio Revised Code Section 6119.10, with an estimate of probable construction cost of \$3,100,000.00.

**MOTION** – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution No. 283-23. Without objection, the motion carried unanimously.

Authorization to Reject and Re-bid

Resolution No. 284-23      Authorization to reject all bids and re-bid, in accordance with Ohio Revised Code Section 6119.10, for the West Park CSO Improvements public improvement project, with an estimate of probable construction cost of \$2,250,000.00.

**MOTION** – Mayor Bacci moved, and Mayor Alai seconded to adopt Resolution No. 284-23. After the following discussion, without objection, the motion carried unanimously.

President Brown requested an explanation as to why the projected needed to be re-bid. Devona Marshall, Director of Engineering and Construction, explained that there were five competitive bids received and the low bidder did not submit a complete bid package, so it was rejected. There was an error in the electronic version of the bid form that rendered the next three bidders' packages

defective, and the fifth bid was greater than 10% above the engineer's estimate. NEORS is recommending that the Board reject and re-bid the project at the same estimated cost of \$2.25 million.

Mayor Alai asked if it is likely that the same bidders will resubmit their bids. Ms. Marshall indicated that NEORS will reach out to the bidders and encourage them to resubmit their packages.

President Brown added that it is important that the vendors understand that it is an open and competitive process and now that the problems have been corrected, the vendors are welcome to resubmit their applications.

#### Authorization to Enter Into Agreement

Resolution No. 285-23      Authorization to enter into a professional services agreement with Osborn Engineering Co. for design and construction administration/resident project representation services under the Abram Creek Smith Road Basin Improvement project in an amount not-to-exceed \$672,018.39.

Resolution No. 286-23      Authorization to enter into a cooperative agreement with the United States Geological Survey for the operation and maintenance of 29 stream and 11 rain gages and the continued development of flood inundation mapping along the 16.4 miles of the Cuyahoga River in the District's Regional Stormwater Service Area in an amount not-to-exceed \$494,750.00.

Resolution No. 287-23      Authorization to enter into a professional services agreement with Stantec Consulting Services, Inc. for design and construction administration/resident project representation on the Southerly Tunnel Dewatering Pump Station project in an amount not-to-exceed \$6,860,125.70.

**MOTION** –Mayor Alai moved, and Mr. Sulik seconded to adopt Resolution Nos. 285-23 through 287-23. After the following discussion, without objection, the motion carried unanimously.

President Brown noted that the Southerly Tunnel Dewatering Pump Station project associated with Resolution 287-23 is significant with an estimated \$6.8 million cost, and asked why only one bid was received. Ms. Marshall explained that, as with other recent projects, there are several RFPs pending simultaneously, meaning that many of the consultants have to make a business decision as to which projects to pursue. In this instance, the firm that submitted a bid also happens to be the lead designer on the Westerly Pump Station project, making them very familiar with this type of project. Additionally, their team includes two consultants that are typically primary contractors for this type of project, and they teamed up to pursue the project.

There was also an RFP pending at the same time for the REF PLC Replacement project, which involves similar work to this project. Three of the firms that typically submit proposals for these types of projects submitted proposals for the REF PLC Replacement project but not this project.

President Brown asked if NEORSD is comfortable with the proposal received. Ms. Marshall answered affirmatively and added that NEORSD negotiated down the original cost by approximately 20%.

Authorization to Enter Into Contract

Resolution No. 288-23      Authorization to enter into a two-year requirement contract with Ohio Bulk Transfer Co. for Grit and Screenings Removal Services at all wastewater treatment plants in an amount not-to-exceed \$1,281,796.49.

Resolution No. 289-23      Authorization to enter into two six-month requirement contracts with Spisak's Outdoor Creations for snow removal services at GJM (Bid Group 1) and pump stations and outlying facilities (Bid Group 3) in an amount not-to-exceed \$48,800.00 and with ESK Landscaping for snow removal services at EMSC (Bid Group 2) in an amount not-to-exceed \$35,620.00, for a total amount not-to-exceed \$84,420.00 for both contracts.

**MOTION** – Ms. Dumas moved, and Mr. Sulik seconded to adopt Resolution Nos. 288-23 through 289-23. Without objection, the motion carried unanimously.

Authorization of Contract Modification

Resolution No. 290-23      Authorizing the final adjusting change order to close out Contract No. 22000093 with Tucson, Inc. for the Chippewa Creek Stream Stabilization Near Broadview Road project to decrease the contract amount by \$254,498.67, thereby bringing the total contract amount to \$1,341,068.33.

Resolution No. 291-23      Authorizing the final adjusting change order to close-out Contract No. 22001257 with Northstar Contracting, Inc. for the Streambank Stabilization along Blodgett Creek at Brigadoon Way project to decrease the contract amount by \$26,019.62, thereby bringing the total contract amount to \$363,340.38.

Resolution No. 292-23      Authorizing the final adjusting change order to close-out Contract No. 22000819 with Lake Erie Electric, Inc. for the Southerly Fire Alarm and Fire Protection Upgrades project to decrease the contract

amount by \$125,067.52, thereby bringing the total contract amount to \$443,786.18.

Resolution No. 293-23 Authorizing the final adjusting change order to close-out Contract No. 22003319 with Coordinated Systems Consulting, Inc. for the Southerly FST 7-11 Launder Support Concrete Repair project to decrease the contract amount by \$85,800.00, thereby bringing the total contract amount to \$364,086.00.

**MOTION** – Mayor Bacci moved, and Mayor Alai seconded to adopt Resolutions No. 290-23 through 293-23. Without objection, the motion carried unanimously.

Authorization to Renew Agreement

Resolution No. 294-23 Authorization to exercise the first one-year option to renew the Employee Benefits agreements for Year 2024, as follows:

- MedMutual Life Insurance Co for group life, accidental death & dismemberment, and short-term disability insurance in an additional amount not-to-exceed: \$850,000.00;
- Medical Mutual of Ohio for administrative fees and stop-loss coverage in an additional amount not-to-exceed \$1,877,000.00;
- Medical Mutual Services, LLC for medical, prescription, vision, and hearing claims projection in an additional amount not-to-exceed \$13,500,000.00;
- Delta Dental for administration fees and projected dental claims in an additional amount not-to-exceed \$454,000.00,

For a total amount, for all agreements combined, not-to-exceed \$16,681,000.00.

**MOTION** – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 294-23. After the following discussion, without objection, the motion carried unanimously.

President Brown requested additional information regarding the agreement. Constance Haqq, Chief Administrative Officer, advised the Board that NEORSD's Total Rewards team and the Benefits Task Force have reviewed the agreement. Ms. Haqq invited Anne O'Donnell from Willis Towers Watson (WTW), NEORSD's insurance broker, to provide a presentation outlining the agreement.

Ms. O'Donnell explained that the total cost is \$16,681,000, a difference of \$624,000 from last year. The group life, accidental death, and dismemberment (AD&D) and short-term disability rates are

entering the second year of a three-year rate guarantee. The amount requested is \$850,000, which allows for fluctuations of head counts, and this will be the same for 2025 as well.

As for claims administration and stop-loss under Medical Mutual, the administrative rates are under a three-year rate guarantee, with the second year beginning in 2024. The stop-loss will increase from \$210,000 to \$225,000. WTW and NEORSD staff reviewed various stop-loss levels and the recommendation was to increase the amount to \$225,000. Through negotiations, the cost increase was 4.6%, representing \$88,000 in savings in this premium. Through September 2023, there has been one claimant that exceeded the \$210,000 threshold.

WTW forecasted a 3.3% increase in prescription costs and 4% increase in vision costs. Medical Mutual is introducing a program called RationalMed, which is a medication safety program that reviews claims for medical, prescription, drug, and laboratory reporting for potential contraindications in medications as well as additional cost savings options. They will reach out to providers and pharmacies to see if there is any recommendation that could be passed on to the member. The requested amount of \$13.5 million includes a 20% buffer in claims.

NEORSD is entering into the second year of a three-year rate guarantee for the administration fee with Delta Dental. There is a projected claims increase of 6.7%. The requested amount of \$454,000 includes a 10% buffer.

Two important provisions for the stop-loss coverage include a no new laser provision and a rate cap of 40% in 2025.

Ms. Dumas asked if the additional service of Medical Mutual comparing medications to ensure that they do not conflict with each other is something that would normally be the responsibility of doctors. Ms. O'Donnell answered affirmatively and explained that it is a cost savings service to reduce medication costs. The cost of the program is \$0.30 per employee per month, which is just over \$2,100 cost to NEORSD with an estimated savings of \$25,000.

Ms. Dumas asked for confirmation that the current approval is for 2024 and not yet 2025. Ms. O'Donnell answered affirmatively. President Brown added that there will be additional discussion once there are numbers available for 2025, and decisions will be made based on market at that time.

Mayor Alai noted that this is the first one-year extension and asked how many year options are available going forward. Ms. O'Donnell explained that the administrative rates are under a three-year agreement for fixed cost. The stop-loss renews every year. Claims are reviewed monthly but projections for claims will likely change in 2024 for 2025. The administrative rates are under the three-year rate guarantee. NEORSD is entering year two of the guarantee.

Hearing Officer Findings and Recommendations

Resolution No. 295-23      Authorization to adopt the findings and recommendations of the Hearing Officer with regard to the sewer account of Paula Coggins ending in 0004, Sewer District Hearing No. 23-007, that no further adjustments be made.

**MOTION** – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution No. 295-23. Without objection, the motion carried unanimously.

VI. Information Items

Ms. Marshall provided the monthly update for the Capital Improvements Program (CIP) for September 2023, beginning with cashflow. Through the third quarter, cashflow is at 90% of planned, with \$132 million total spending to date.

As for Key Performance Indicators (KPIs), the design of the Southerly Tunnel and Consolidation Sewer project was completed within 60 days of planned, meeting that KPI.

Also in September, the construction contract for the Southerly Second Stage Aeration Improvements project was awarded within 60 days of planned, meeting that KPI, as well as the KPI for the engineer's estimate.

The Southerly Skimmings Decant and Storage Facility Air Handling Unit Replacement project construction contract was awarded within 60 days of planned meeting that KPI, however, the average of the three lowest bids was not within 10% of the engineer's estimate therefore that KPI was not met. The engineer's estimate was \$750,000 and the contract was awarded to the low bidder for \$579,000.

Substantial completion of the Southerly Building Demolition project was achieved, though not within 90 days of planned, missing that KPI. There was a schedule delay due to supply chain issues for equipment on the project.

Ms. Marshall then provided an update regarding Project Clean Lake, the \$3 billion capital investment over 25 years to meet the requirements of the CSO Consent Decree to remove approximately 4 billion gallons of annual CSO discharge from the service area. The majority of the investment will be in the large tunnel systems, which account for approximately \$2.4 billion of the \$3 billion total expenditure.

There are also investments in the Southerly WWTC and Easterly WWTP to increase treatment capacity as well as two large CSO treatment facilities that control two of the CSOs directly tributary to Lake Erie. There are smaller improvement projects in storage tanks, the collection system, pump stations, and green infrastructure.

Of the total 4 billion annual gallons of overall CSO reduction, the tunnel systems provide the majority of the control at 3.2 billion gallons annually. In total, there are seven tunnel systems and three dewatering pump stations. The Easterly Tunnel Dewatering Pump Station will dewater three of the tunnels, the Euclid Creek, Dugway, and Shoreline Storage Tunnels. Both the Westerly and Southerly storage tunnels will have their own dedicated pump stations and two of the tunnels are dewatered by gravity. In addition to the pump stations, the systems are comprised of numerous consolidation sewers, diversion and regulator structures, and control vaults. Six of the tunnel systems are either completed or in progress, three are fully completed and operational, including the Euclid Creek, Dugway, and Shoreline Storage Tunnels.

The Westerly Storage Tunnel and its associated pump station are nearing completion and are scheduled to be activated in late 2023 to early 2024. The Shoreline Storage Tunnel is under construction and should be completed in 2025. The Southerly Tunnel system is entering into the construction phase and a request to issue proposals for the design of the Big Creek Storage Tunnel will be issued later this year.

As for overall progress of Consent Decree projects, of the 82 total planned, 49 are complete, 23 are active, and 10 remain to commence. From a dollar standpoint, a total of \$1.93 billion has been spent or awarded to date, with value engineering of \$505 million in savings. CSO reduction to date is 1.73 billion gallons annually currently and will increase by an additional 285 million gallons annually once the Westerly Storage Tunnel is activated.

There is a state level supplemental environmental project which is a 25-year requirement to operate and maintain the Canal Pump Station located on the lower Cuyahoga River, which was necessary due to the removal of the Brecksville Dam, which was removed because of water quality issues. The pump station was designed and constructed by Friends of the Crooked River and is owned by the National Park Service, which just issued the District a Notice to Proceed, starting the 25-year maintenance period.

President Brown asked if the operation and maintenance of the pump station would include capital replacement. Ms. Marshall explained that it is a screw pump, which is fairly unsophisticated and would likely not require significant capital improvement. President Brown added that he asked the question because typically, the useful life of a pump station is approximately 25 years, meaning that it could require replacement during that time period. Ms. Marshall indicated that she would research whether replacement would be the responsibility of NEORSD or the National Park Service.

## VII. Open Session

There were no items.



VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

There were no items.

X. Approval of Items from Executive Session

There were no items.

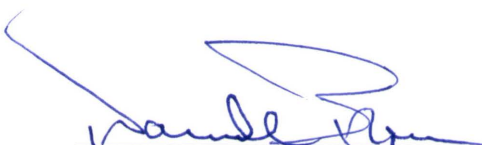
XI. Adjournment

**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 1:06 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