

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
NOVEMBER 2, 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  
T. DeGeeter  
J. Bacci  
J. Ciaccia  
S. Dumas (arrived 12:39 p.m.)

ABSENT: R. Stefanik

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 October 19, 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 quarterly employee recognition events are held each quarter at Easterly, Westerly, GJM, EMSC and Southerly to recognize the great work of individual employees and teams. The two items of note were that the District launched annual mandatory ethics training for all employees and completed additions and changes at the senior staff level.

James Bunsey, Chief Operating Officer, stated that Doug Reichlin had been hired to the new position of Deputy Chief Operating Officer. Mr. Reichlin has 35 years' experience in water resources and wastewater and will assist with Operational Readiness implementation, the Renewable Energy Facility optimization and the processes within all wastewater plants.

CEO Dreyfuss-Wells continued, stating that Tracey Phelps had also been hired as the Deputy Director of Operations & Maintenance overseeing all operations at Southerly, which means there are now two members of senior staff permanently working at Southerly.

Last week staff participated in the National Meeting of the Minds summit which took place in Cleveland. The summit brought together folks working on urban sustainability and the topics ranged from transit to workforce development. District staff led tours on green infrastructure in conjunction with the Cleveland Water Alliance and hosted a lunch presentation on water sustainability.

Closing the report, CEO Dreyfuss-Wells stated that on October 10 the District received the Above and Beyond Impact Award from the Cuyahoga County Board of Developmental Disabilities, which honors communities, organizations, or agencies that offer opportunities for those with developmental disabilities to work with the larger community. Specifically, staff is working with the Stir One Up program to provide work on service projects throughout the community. District staff donated plastic bags to the Stir One Up program to work with nursing homes to make mats for the homeless.

Ms. Dumas joined the meeting.

V. Action Items

Authorization to Advertise

Resolution No. 308-17

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the delivery of 100,000 pounds of Liquid Emulsion Polymer Solution at the District's Easterly and Westerly Wastewater Treatment Plants with an anticipated expenditure of \$180,000.00.

Resolution No. 309-17

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for the Westerly Storage Tunnel Project with an engineer's opinion of probable construction cost of \$155,000,000.00.

**MOTION** – Mr. Ciaccia moved and Mr. Sulik seconded to adopt Resolution Nos. 308-17 through 309-17. After the following discussion and without objection, the motion carried unanimously.

Referencing Resolution No. 309-17, Devona Marshall, Director of Engineering & Construction, advised that the Westerly Storage Tunnel will be the fourth of the seven tunnels to be constructed under the consent decree and will be the largest to date. The tunnel will control about 300 million gallons of combined sewer overflow (CSO) annually -- most of which will come from Walworth Run, which activates over 80 times during a typical year.

The mining shaft is located on Scranton. 95% of the flow going in the tunnel will be coming from this CSO outfall, so upwards of 280 million gallons will be captured. A very large divergent structure will be constructed as part of this site. The second of the two pickup locations is where we'll be capturing flows to control CSO 074. It's a smaller volume but very important to meeting the requirements of the consent decree. The District has been coordinating with the Cleveland Municipal School District in this area.

The pump station has been designed under the same contract but will be constructed under a separate contract. The District has been working closely with the Cleveland Planning Commission to make sure the final product meets the needs of the community.

Mr. Brown noted that much of the work would be done below surface and inquired whether it would affect any of the flow that comes into the plant. In the past, there have been problems with hydraulic jump and manholes that necessitated closing the Shoreway on occasion for repairs. Ms. Marshall explained that this project will not solve any of the issues along Lake Avenue.

Doug Lopata, Program Manager, explained that the Westerly Interceptor, as it comes across the Shoreway, had problems years ago. The District lined it, put in a new pipe and secured the manholes on the Shoreway. Staff also modified the upstream gates that control how much flow goes through that sewer and diverted some of the flow to the Northwest Interceptor before it gets to the Shoreway. This project specifically does not change that.

Mr. Ciaccia inquired how the truck traffic issue been handled. Mr. Lopata stated that truck traffic at the Shaft-3 mining site will go up Scranton to the south to get to the highway or the I-90 bridge. The WST-1 structure has an interchange that requires going towards Edgewater Beach and back to go east. There will be no mining at this site.

#### Authorization to Issue Request for Proposals (RFPs)

Resolution No. 310-17

Authorization to issue RFP, in accordance with Ohio Revised Code Chapter 153, for design-build services for the Southerly Grit Receiving Station.

**MOTION** – Mayor DeGeeter moved and Mayor Bacci seconded to adopt Resolution No. 310-17. Without objection, the motion carried unanimously.

#### Authorization to Purchase

Resolution No. 311-17

Authorize the direct purchase of PARCView Tools and PARCGraphics from sole source developer Capstone Tech, including technical support and training for the Automation Program Management Project, in an amount not-to-exceed \$256,000.00.

Resolution No. 312-17

Authorize the direct purchase of Pi Server software package from sole source developer OSIsoft, LLC including technical support and training for the Automation Program Management Project, in an amount not-to-exceed \$826,000.00.

Resolution No. 313-17

Authorize the purchase of computer system and other information technology equipment as part of the Automation Program Management Project, in an amount not-to-exceed \$1,527,000.00.

**MOTION** – Mr. Sulik moved and Mr. Ciaccia seconded to adopt Resolution Nos. 311-17 through 313-17. After the following discussion and without objection, the motion carried unanimously.

Mr. Brown stated that these three resolutions are related and it suggests that the District is in a situation of replacing obsolete PLC panels and the software programs that support it. He requested an explanation of how the District got to this point and the path forward. He also noted that this is a sole-source but it did go through a procurement process.

Ms. Marshall advised that in 2016 the District awarded a professional services contract in the amount of almost \$20 million for Phase 1 of the Automation Program Management Project. In addition to professional services there is \$8 million in construction contracts to procure that includes construction and/or equipment purchases.

The three resolutions under discussion now are three of those projects under Phase 1 and Phase 2 will commence in 2019 with professional services upwards of \$20 million with a larger construction component over \$25 million.

The two software-related resolutions are to replace a 20-year-old proprietary system that has outlived its usefulness. This system provides access to the operating data for purposes of EPA reporting and is critical in terms of day-to-day plant management.

Ms. Marshall explained that staff evaluated seven different software packages used across the industry and came up with two to replace the existing one. The first software package is PARCView Tools and PARCview Graphics which will provide an interface to the database. The second software package is OSIsoft which is the data management system. These two together working together provide a replacement for the ODMS system.

Staff will be replacing the PLCs, which will be a future construction contract under Phase 1 for Westerly. The remaining ones at other plants and the collection system will it be part of Phase 2. However, to get to that point staff must replace the other hardware components related to that system. The District will purchase that equipment and replace it so future upgrades work together.

Mr. Brown noted the significance of automating the plants in a major way with technology, the control panels that run the operations and managing the risk associated with that. He was

concerned that this is a tremendous undertaking because it will change all the technology and will require that staff gets trained to understand the sophistication and new requirements for operating this technology. Mr. Bunsey concurred that the project has tremendous risk and explained that one of the reasons staff opted for a multiple-phase approach to APM was to utilize the smallest facility -- Westerly -- as a pilot. Phase 2 expands the automation to Easterly and Southerly encompassing what was learned at Westerly.

Mr. Ciaccia inquired under what contract will the change management occur and how is staff engaged in that. Mr. Bunsey advised that component of the APM is a program. The HDR contract is the professional consultant. Staff is constantly working with them and staff bringing operations along.

Mr. Brown questioned what the total capital outlay is expected to be for both phases of the program. Ms. Marshall indicated that the estimated total cost for Phase 1 is \$28 million and she estimated total cost for Phase 2 is \$46 million.

#### Authorization to Enter into Agreement

Resolution No. 314-17

Authorization to enter into Member Community Infrastructure Grant Program (MCIP) Agreements with member communities to provide District funding for nine (9) 2018 MCIP projects, with a total District contribution for all projects in the amount of \$3,946,142.15.

**MOTION** – Mr. Ciaccia moved and Mayor Bacci seconded to adopt Resolution No. 314-17. After the following discussion, without objection, the motion carried with one abstention by Mayor DeGeeter.

Mr. Ciaccia inquired how many septic tanks would be replaced with the project in the City of Parma, which would represent new customers and revenue. Frank Greenland, Director of Watershed Programs, stated that he would provide the figure and noted that there would also be a small number of new customers in Richfield.

#### Authorization to Enter into Contract(s)

Resolution No. 315-17

Authorization to enter into a contract with Ohio Machinery Company dba Ohio CAT Power System for Standby Generator Maintenance and Repair Services for the District's Caterpillar and Intelligent Switchgear Organization (ISO) generator systems in the amount of \$1,069,684.00.

- Resolution No. 316-17 Authorization to enter into a contract with Cargill Salt, through the Ohio Department of Transportation's (ODOT) Winter Contract for Road Salt, in the amount of \$7,280.00.
- Resolution No. 317-17 Authorization to enter into a construction contract with Mark Haynes Construction, Inc. for the Euclid Creek Flood Control Shoaling Removal Project in the amount of \$539,683.40.
- Resolution No. 318-17 Authorization to enter into a one-year contract, with three one-year renewal options, with OccuCenters for occupational health care services for District employees and potential employees, in a total amount not-to-exceed \$200,000.00 for the initial term and all option years.

**MOTION** – Ms. Dumas moved and Mr. Sulik seconded to adopt Resolution Nos. 315-17 through 318-17. After the following discussion, without objection, the motion carried unanimously.

Mr. Brown requested an explanation for Resolution No. 317-17 and noted that the engineer's estimate was around \$790,000 and the second bidder was \$711,000.

Mr. Greenland explained that staff estimated the project at the amount sufficient for construction. Mark Haynes Construction, Inc. had a much lower bid because they intend to reuse some of the dredge material because they are important commodities in stream restoration work and stream bank stabilization.

#### Authorization of Contract Modification

- Resolution No. 319-17 Authorization to Modify Contract No. 15002935 with Ohio Bulk Transfer Company for sludge cake and ash hauling with a time extension of twelve months with no change in the contract price.
- Resolution No. 320-17 Authorize final adjustment modification of Contract No. 14003457 with Lake Erie Electric, Inc. for the Southerly Low Voltage Equipment Replacement Project by decreasing the contract amount by \$1,332,090.22 bringing the total contract price to \$9,812,319.78.

**MOTION** – Mr. Sulik moved and Mr. Ciaccia seconded to adopt Resolution Nos. 319-17 through 320-17. Without objection, the motion carried unanimously.

Property-Related Transactions

Resolution No. 321-17

Authorize acquisition of one parcel from Donald and Annie Nelson at 9863 Kingsbury Blvd. in the City of Cleveland, necessary for the construction of the Kingsbury Run Preliminary Engineering Project, with total consideration of \$115,000.00.

**MOTION** – Ms. Dumas moved and Mr. Sulik seconded to adopt Resolution No. 321-17. Without objection, the motion carried unanimously.

Authorization to Adjust Credit

Resolution No. 322-17

Authorize the District to issue a credit adjustment in the amount of \$44,044.20 to be approved against outstanding sewer charges on NEORS Account #3157750005 for Stuart House at 14233 Triskett Road, Cleveland.

**MOTION** – Ms. Dumas moved and Mayor Bacci seconded to adopt Resolution No. 322-17. Without objection, the motion carried unanimously.

Authorization to Provide a Letter of Support

Resolution No. 323-17

Authorization to provide a letter of support to the Port of Cleveland, with a conditional financial pledge of up to \$7 million, as partial matching funds toward the Port's Infrastructure for Rebuilding America (INFRA) grant application to the U.S. Department of Transportation for the Irishtown Bend Stabilization Project, with all District funding being conditional, including receipt of the said Grant and other sources of matching funds, District approval of the Project design and scope, and subsequent Board approval of a cooperative project agreement with all relevant parties.

**MOTION** – Mayor Bacci moved and Mr. Ciaccia seconded to adopt Resolution No. 323-17. After the following discussion and without objection, the motion carried unanimously.

Mr. Brown requested an explanation.

CEO Dreyfuss-Wells stated that Will Friedman, the Chief Executive Officer of the Port of Cleveland, was present.

Mr. Lopata stated that this has been a longstanding multi-agency issue and the District is involved

because the Westerly Low-Level Interceptor (WLLI) runs through the area in the slope failure zone. The Port of Cleveland engaged a consultant to perform a preliminary design for the long-term benefit of a 17-acre park on this site. The District recommends providing a letter of support for \$7 million which would stabilize the hillside and greatly reduce the risk of the hillside collapse to the District's WLLI.

The District has been monitoring this area since 2007 and performed a temporary fix with an internal lining product. Monitoring activities now occur every six months.

Mr. Lopata stated that the concern is that this unstable hillside could collapse and push material into the river making it impassible for ship traffic and damaging the WLLI. The Port Authority has developed a solution to stabilize it that includes sheet pile bulkheads along the river. The District also must protect the WLLI with relining and potentially repair one shaft as the hillside is being stabilized.

The District also wants the plan to include lowering groundwater which would increase safety, remove some of the buildings by West 25th Street and terracing the slope. If the stabilization goes well, the second phase would make it look like the 17-acre park that has been proposed.

Should the hillside collapse, the District's current plan is to install a temporary pumping system for \$1 million with a line on the surface of the old road to pump around the failure area and bid for the permanent pump station. This would be a new pump station with a 4 MGD capacity for about \$15 million and a force main up the hill through along W. 25th Street and tie into the local collection system there.

Mr. Lopata advised that the next steps are to continue monitoring regardless of the result of the grant application. The Port and NOACA are submitting the grant application for \$22 million. By the second quarter of 2018 they will find out the results and it would be awarded in the third quarter at which time the District determine whether necessary conditions have been met, and if so, negotiate with the Port to achieve an agreement which properly protects the WLLI and District interests to the District's satisfaction. If the project proceeded, the Port would administer the design-build contract in approximately 2018 and others would fundraise for the permanent park facilities. The park work is estimated to be performed in 2020 and is not part of any District work.

Mr. Brown stated that this project has had several evolutions estimated from \$20 to \$80 million, so a solution in the \$20 to \$25 million range is encouraging. The ground continues to move. A retaining wall may arrest that along with a concept of lowering groundwater. He asked for an elaboration.

Mr. Lopata explained that the City agreed to make this area a permanent park space, which requires a different factor of safety and brought the cost down considerably. Staff investigated and found that the historic groundwater levels in the area were sloping towards the river. Under-drain systems could be put in and then terracing the ground would remove a large portion of the load from the upper part of the hill. Such an action would control it so it is not putting its weight on the hillside to further exacerbate that slope.



Mr. Ciaccia questioned what the cost of the total project rendering would be. Mr. Lopata noted that the park rendering is not the District's responsibility but he has heard the \$50 to \$60 million range. The referenced \$22 million figure is only for the initial slope stabilization portion of the project and includes the District's \$7 million toward the stabilization and the relining of the WLLI. The local match is 47% but the requirement for the grant is 40%.

CEO Dreyfuss-Wells indicated that this project has been a long-standing issue and the Port has been leading the effort to bring federal and state money into it. Should the Board approve this resolution, the District's involvement would be conditioned on other things falling into place, as noted in the resolution.

Mr. Ciaccia noted the District's part of the solution would be covered under the \$22 million, so he was not concerned.

CEO Dreyfuss-Wells stated that this park rendering is realistic; the City of Cleveland, Ohio City, Inc. and the Trust for Public Land, have been successful at the Clean Ohio funding level to purchase the land, showing there is movement behind the larger fix.

Mr. Ciaccia questioned whether the District's \$7 million would be applied as part as the slope fix. Mr. Lopata stated that the District designated \$2 million to fix the sewer and the other \$5 million would go towards the stabilization, including mass sheet piling, earth work and lowering the ground water.

#### Authorization of Base Pay Increases and Performance Pay

Resolution No. 324-17

Authorize the Chief Executive Officer to grant up to 2% base pay increases for non-union employees for 2018, and authorizing an amount not-to-exceed \$525,000.00 for performance pay for eligible and qualifying employees in 2017.

**MOTION** – Mr. Ciaccia moved and Mayor Bacci seconded to adopt Resolution No. 324-17. After the following discussion and without objection, the motion carried unanimously.

Mr. Brown expressed interest in the pay for performance review.

CEO Dreyfuss-Wells explained that the District has moved to a fully pay-for-performance process based on establishing goals at the beginning of the year, consistent reviews and ensuring that employees met those goals. Pay for performance is in recognition of employees meeting those goals.

Angie Smith, Director of Human Resources, indicated that managers have deference to evaluate and determine whether an employee receives a base-pay increase based on their overall performance and a lump-sum payment based on their overall performance.

Ms. Dumas stated that the District had concerns regarding revenue coming in below projections and although that has improved over the year, she requested an explanation. Kenneth J. Duplay, Chief Financial Officer, explained that the not-to-exceed amount of \$525,000 is lower than requested in the past. The figure was adjusted based on the year's conditions which have improved over the third quarter but still below budget. The 2% base-pay increases are factored into projections for next year.

## VI. Information Items

### 1. Quarterly Financial Report and Investment Advisor Performance Report

Mr. Duplay advised that the District's financials have improved since the end of the second quarter and all metrics are being met.

CEO Dreyfuss-Wells advised that staff has done a very good job controlling expenses in responding to decreased consumption. Mr. Brown was concerned that the District gets as close as it can to the revenue projection. He was pleased with controlling expenditures but that creates concern for making sure that the projection for next year does not have similar consequences.

### 2. Operations & Maintenance Quarterly Update

Frank Foley, Director of Operations & Maintenance, advised that his report focused on safety, quality, delivery, cost, morale and environment. Lost and restricted work days have decreased compared to the previous few years. The District's rate is much lower than similar public utilities and similar to private industry within Ohio.

All three plants met their total suspended solids limit for the third quarter. The District is meeting the more stringent limit in terms of discharges to the Cuyahoga River and is well below the monthly limit in terms of E. coli densities. 19 dry-weather overflows have occurred this year. However, the availability of automated equipment during wet weather overflows and was close to 100%.

Mr. Foley explained that on October 26 Westerly experienced an instantaneous violation for chlorine residual. Staff is working to revise standard operating procedures and perform additional coaching and training.

Moving to plant maintenance, he advised that the District was in the 60% to 90% range in all facilities for the third quarter. The department's objective for budget performance is to spend between 90% and 100% of its budget. Expenses through the third quarter are 90% of budget for the same time period.

Issues that could be affecting employee morale are the Operational Readiness implementation, increased accessibility to senior staff and upcoming union contract negotiations for two unions.

Mr. Ciaccia questioned what causes the dry weather overflows. Mr. Foley explained that most are caused by debris that blocks the sewer. Staff provides more frequent preventative maintenance to those areas that are known to encounter more frequent blockages.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

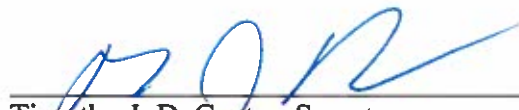
There were no items.

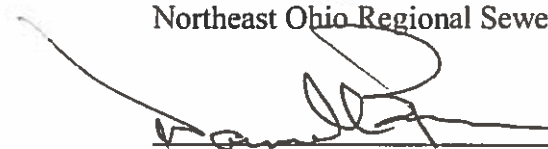
IX. Executive Session

There were no items.

XI. Adjournment

**MOTION** – Mr. Sulik stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Mr. Ciaccia seconded the motion to adjourn at 1:37 p.m. Without objection, the motion carried unanimously.

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

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