

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
NOVEMBER 3, 2011

Meeting of the Board of Trustees of the Northeast Ohio Regional Sewer District was called to order at 12:32 p.m. by Darnell Brown.

I. Roll Call

PRESENT: D. Brown
R. Sulik
D. DePiero
J. Bacci
S. Kelly
W. O'Malley
G. Starr

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

II. Approval of Minutes

MOTION – Ms. Kelly moved and Mayor Bacci seconded that the minutes of the October 6, 2011 Board meeting be approved. Without objection, the motion carried unanimously.

III. Public Session

Executive Director Ciaccia informed the Board that no members from the public registered to speak at Public Session.

IV. Executive Director's Report

Executive Director Ciaccia introduced Katarina Waag, Assistant Director of Law, who attended the Board meeting on behalf of the Director of Law Marlene Sundheimer. Robin Halperin, Manager of Environmental and Regulatory Support, attended the meeting on behalf of the Director of Watershed Programs, Frank Greenland. Ms. Sundheimer and Mr. Greenland were at the stormwater trial.

Executive Director Ciaccia moved to the next report item regarding the Stormwater litigation. Trial commenced on Monday, October 31st. Following opening statements,

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Hector Cyre, a stormwater expert, testified on behalf of the District. On November 1st, Erwin O'Deal testified in the morning and Executive Director Ciaccia testified in the afternoon. On November 2nd, Executive Director Ciaccia's testimony continued through morning and until the afternoon. Andy Reese, a stormwater expert from AMEC, testified in the afternoon

Executive Director Ciaccia advised that the majority of his 7 hours testimony was spent in cross-examination. Executive Director Ciaccia believed it went well and that the District was well-prepared for trial.

Trial is moving forward at a relatively slow pace since the various attorneys representing the communities in opposition to the Stormwater Management Program (hereinafter "SMP"), Summit County, business owners, Cleveland Diocese, and the Cleveland Metropolitan School District all participated in cross-examination.

Executive Director Ciaccia noted that the City of Broadview Heights removed itself from the communities in opposition to the SMP and now there are 11 communities instead of 12 opposing the SMP. Executive Director Ciaccia noted that Broadview Heights charges its residents a stormwater fee based on impervious area.

Executive Director Ciaccia provided the Board with the upcoming testimonies on behalf of the District: Director of Watershed Programs, Frank Greenland, Manager of Watershed Programs, Kyle Dreyfuss-Wells, Director of GreenCityBlueLake, David Beech, former Executive Director of the Cleveland MetroParks, Vern Hartenburg, Mayor Leiken of Shaker Heights, Mayor Rinker of Mayfield Village and the final stormwater expert.

Executive Director Ciaccia noted one of the two experts on behalf of the opposition passed away and the communities are now searching for another expert witness. The expert witness that they were planning to use was contracted to assist the District in this same case which creates a conflict of interest. Judge Pokorny admonished that in light of the conflict, he would not look favorably on any testimony given by this expert.

Executive Director Ciaccia was unsure as to whether the communities in opposition to the SMP would request a time extension. Judge Pokorny made the decision that the trial would proceed after learning that the expert witness was deceased. Trial would adjourn and then re-adjourn on December 14th to hear the final testimony of the new expert witness and closing statements.

Executive Director Ciaccia moved to the next report item and he advised that on October 25th he attended a meeting in Columbus with the new Director of the Ohio Environmental Protection Agency (hereinafter "OEPA"), Scott Nally. Director Nally requested a

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meeting of the utilities throughout the state of Ohio. Executive Director Ciaccia and Elizabeth Toot-Levy, Environmental Specialist, attended on behalf of the District. Tonya Arsh, Director of Water and Wastewater for the City of Columbus, personally attended the meeting and other attendees participated via conference call.

The purpose of this meeting was to discuss nutrient controls and regulations. Mr. Nally was interested in gaining support on the proposed weight evidence approach that the OEPA intends to use with respect to the nutrient issue. Executive Director Ciaccia described this as a "less rigid approach" and not a "one-size-fits-all approach" like the former independent application approach. At the state-level, the OEPA is attempting to build more flexibility into the rulemaking.

The weight of evidence approach is based on the overall health of streams and watersheds using multiple parameters of evidence. If the body of water is not impaired then it will not require monitoring and maintenance. Conversely, if the body of water is impaired, then technology based standards and adaptive management practices must be implemented.

Executive Director Ciaccia advised that the District and all meeting participants unanimously supported the OEPA's proposed weight of evidence approach. The OEPA needs support since they will be required to present this proposal to the United States Environmental Protection Agency (hereinafter "USEPA). Executive Director Ciaccia indicated that he advised Mr. Nally that the District will support the OEPA in this initiative.

Mr. Nally requested technical assistance from the District. Ms. Toot-Levy and Seth Hothem will assist the OEPA with that data gathering.

Mr. Nally advised that Governor Kasich is very concerned about the algae bloom in Lake Erie and that he has tasked Mr. Nally and the Director of Agriculture to propose solutions on how to address the algae bloom situation. Those solutions will be discussed on February 1, 2012. Executive Director Ciaccia noted that Mr. Nally does not have any jurisdiction over agriculture and therefore the Director of Agriculture will have to promulgate any rules affecting the agricultural sector.

Mr. Nally indicated that he and Ms. Arsh discussed the significance of the non-point source and that he reported to Governor Kasich that the Director of Agriculture would need to be involved.

Executive Director Ciaccia advised that he mentioned to Mr. Nally as well as representatives of the USEPA that since the District has put much of its resources into the reduction of Combined Sewer Overflow (hereinafter "CSO"), the District can afford to

contribute very little. Therefore, the costs to be incurred by the District must be reasonable.

Executive Director Ciaccia reported that the National Pollutant Discharge Elimination System (hereinafter "NPDES") permits for the Wastewater Treatment Plants (hereinafter "WWTPs") were in progress. The current NPDES permits expired in 2005 and were placed on hold while the CSO negotiations were underway and the consent decree finalized.

The District reviewed draft NPDES permits from the EPA and the Districts' comments are due November 4th. District representatives will meet in the morning to review the comments before submitting them to the EPA. Subsequently, the NPDES permits for the CSOs are due.

Executive Director Ciaccia advised that Executive Session will be held at the end of the meeting to discuss the billing methodology for Summit County Department of Environmental Services. They are disputing the District's billing methodology which is based on an agreement made between the District and Summit County in the 1980s. Summit County is now withholding a portion of their bill. Executive Director Ciaccia desires adjourning into Executive Session with the Board to discuss available options including a proposed settlement or possible legal action.

There were no questions for Executive Director Ciaccia.

V. Action Items

Authorization to Advertise

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|-----------------------|--|
| Resolution No. 243-11 | One (1) year requirement contract for lawn maintenance services at all District facilities. Anticipated expenditure: \$44,300.00. |
| Resolution No. 244-11 | One (1) year requirement contract for the purchase of centrifuge polymer for use at the Southerly Wastewater Treatment Plant. Anticipated expenditure: \$223,000.00. |

Resolution No. 245-11
(WITHDRAWN)

One (1) year requirement contract for lawn maintenance services at all District facilities. Anticipated expenditure: \$44,300.00.

Resolution No. 246-11

One (1) year requirement contract for recording Telemetry Units for the Sewer System Maintenance and Operations Department. Anticipated Expenditure: \$50,000.00.

MOTION – Mayor DePiero moved and Mayor Starr seconded to adopt Resolution Nos. 243-11 through 246-11. Executive Director Ciaccia advised that Resolution Nos. 243-11 and 245-11 were duplicates. Resolution No. 245-11 was withdrawn from the agenda. Without objection, the motion to adopt Resolution Nos. 243-11, 244-11 and 246-11 carried unanimously.

Authorization to Issue Request for Proposals (RFPs)

Resolution No. 247-11

RFPs for professional services for Phase II – Implementation of Oracle iRecruitment and Service Software Modules for Human Resources.

MOTION – Mr. Sulik moved and Mr. O’Malley seconded to adopt Resolution No. 247-11. Without objection, the motion carried unanimously.

Authorization to Purchase

Resolution No. 248-11

Direct purchase from Ashbrook Simon-Hartley, centrifuge and rotodiff refurbishment at the Westerly Wastewater Treatment Plant. Anticipated expenditure: \$26,750.00.

Resolution No. 249-11

Direct purchase from sole source vendor Dearing Compressor & Pump Company for air compressor replacement parts for use at the Southerly Wastewater Treatment Plant. Anticipated expenditure: \$100,000.00.

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MOTION – Mayor DePiero moved and Ms. Kelly seconded to adopt Resolution Nos. 248-11 and 249-11. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

- | | |
|-----------------------|---|
| Resolution No. 250-11 | One (1) year requirement contract with Ohio Machine Co. d/b/a Ohio CAT for standby generator maintenance for all District facilities. Cost: \$306,229.00. |
| Resolution No. 251-11 | Contract with AECOM Technical Services, Inc. for professional design services for the Interceptor Surveying and Mapping project. Contract amount: \$1,658,334.13. |
| Resolution No. 252-11 | Contract with DLZ Ohio, Inc. for professional design services for the Combined Sewer Overflow – Sewer System Maintenance and Operations Bundles project. Contract amount: \$2,158,335.00. |
| Resolution No. 253-11 | Contract with EnviroScience, Inc. for Wetland Mitigation Services at the Bratenahl Mitigation Site and the Nine Mile Creek Site. Contract amount: \$392,787.00. |
| Resolution No. 254-11 | Contract with Hatch Mott MacDonald for professional design services for the Euclid Creek Pump Station / Lakeshore Boulevard Relief Sewer project. Contract amount: \$2,659,495.00. |
| Resolution No. 255-11 | Contract with RCR Services, Inc. for the Southerly Wastewater Treatment Plant Boiler No. 2 Rehab project – Contract SBR-1. Contract amount: \$651,765.70. |

- Resolution No. 256-11 Contract with ESRI, Inc. for the 2012 renewal of annual maintenance and support of Geographical Information System Software Tools. Cost: \$38,202.00.
- Resolution No. 257-11 Annual contract renewal with Kronos, Inc. for maintenance and support of timekeeping software and hardware. Cost: \$35,211.01.
- Resolution No. 258-11 Annual contract renewal with Mythics, Inc., through the Ohio State Term Schedule Contract No. 534059, for maintenance and support of Oracle e-Procurement & Business Process Execution Language software. Cost: \$62,606.66.
- Resolution No. 259-11 Annual contract renewal with Oracle, Inc. for maintenance and support of Work and Asset Management software. Cost: \$72,874.45.
- Resolution No. 260-11 Two (2) year contract with Precision Multimedia, Inc. for audio/visual maintenance. Cost not-to-exceed \$107,380.00.
- Resolution No. 261-11 Five (5) year contract with ComDoc through Sourcing Office for print management services at all District facilities. Cost: \$795,000.00.

MOTION – Mr. O’Malley moved and Mayor Bacci seconded to adopt Resolution Nos. 250-11 through 261-11. After discussion and without objection, the motion to adopt Resolution Nos. 251-11 through 261-11 carried unanimously. A roll call was taken on Resolution No. 250-11 which carried with one abstention by Mayor DePiero.

Mr. Brown referred to Resolution No. 250-11 and he inquired about the status of the District’s backup generator apparatus.

Executive Director Ciaccia commented that since joining the District four years ago, an area of concern has been to ensure sufficient operation of the District’s standby

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generators. There have been some outages and certain equipment was not working properly. Numerous discussions have taken place over those issues and the District decided to commission a study to determine what steps are necessary to assure that the generators are working properly and available in the event of an emergency.

Executive Director Ciaccia stated that the City of Cleveland, Division of Water (hereinafter "CWD") spent \$25 million on their standby generators and that he was unsure of the amount the District spent. Mr. Brown replied that the District spent \$20 million.

Executive Director Ciaccia stated that the worst-case-scenario would be a power grid failure and for the District's backup generators to not be in working order, like the situation that occurred in Detroit. There have been multiple discussions and the District needs to bring closure to this issue.

Executive Director Ciaccia turned discussion over to the Director of Operation and Maintenance, Dave McNeeley.

Mr. McNeeley stated that one of the key issues is the reliability of system. Due to the complexity of the switch gear and proprietary nature of the software there have been problems with the system starting without manual intervention. Issues also arise when the systems are taken offline.

The District commissioned a study in an effort to resolve some of those issues and bring a greater level of reliability to the system. The report is being reviewed and a consultant has been hired. The District is considering the modifications needed to the system in order to improve the reliability.

Director of Engineering and Construction, Kellie Rotunno, explained that the consulting contract with GPD Group is 65% expended and that the draft report will be available for review in January 2012. They are finishing the review of the detailed wire and circuitry and therefore the recommended action plan to correct any problems has not yet been finalized.

Mr. Brown commented that there is a reliability issue and that the standby generators may or may not turn on in the event of an emergency.

Mr. McNeeley advised that sometimes the standby generators will turn on and other times operator intervention is needed. A more significant problem is bringing the standby generators offline.

Mr. Brown questioned when the District will receive the report. Ms. Rotunno replied that

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the consultant's report will be completed January 2012 and will include recommended next steps of action to be taken by the District in order to correct and improve the reliability of the standby generators.

Mr. Brown inquired if there will be a timeline for the implementation strategy wherein Ms. Rotunno replied that there will be a timeline and a cost.

Mr. Brown inquired about the wetland mitigation to be conducted referenced in Resolution No. 253-11. Ms. Rotunno advised that it is for the removal of blue-spotted salamanders as a result of construction impacts of the Euclid Creek Tunnel (ECT), Easterly Tunnel Dewatering Pump Station (ETDPS) and Nine Mile Electrical Substation (NMES) projects at the Nine Mile Creek site.

Mr. Brown requested information with respect to Resolution No. 261-11 for a five year contract for print management services.

Mr. McNeeley explained that the District hired a consultant to perform an evaluation of its copying and printing needs. Based on their recommendation, it was determined to be in the District's best interest to lease copiers rather than purchase them. The District currently owns its copiers and the cost to replace those would be \$1 million. Over the next five years, the District will have the ability to keep up-to-date and current copier technology through leasing. This also includes a maintenance agreement, which is currently a separate District contract.

Executive Director Ciaccia noted that the procurement went through the Northeast Ohio Sourcing Office (NEOSO) and that David Akers was present at the meeting to address any questions from the Board regarding NEOSO's procurement processes.

Mayor Starr inquired whether the State of Ohio's purchasing program was explored. Mr. McNeeley stated that it was not.

Mayor Starr questioned if this option would have been cheaper. Mr. McNeeley stated that NEOSO went through a bidding process.

Deputy Executive Director, F. Michael Bucci, was not sure if the District could lease through the State of Ohio's purchasing program and he stated that he will look into this matter further.

Authorization to Reject and Rebid

Resolution No. 262-11

Reject bids and rebid the District-wide HVAC Improvements project. Engineer's opinion of probable construction cost: \$3,495,000.00.

MOTION – After discussion, Mayor Starr moved and Ms. Kelly seconded to adopt Resolution No. 262-11. Without objection, the motion carried unanimously.

Mr. Brown referred to Resolution No. 262-11 and he questioned if the bids were being rejected and rebid for the reason that the bids exceeded 10% of the engineer's estimate of probable construction cost. Ms. Rotunno affirmed.

VI. Information Items

1. Northeast Ohio Regional Sewer District Financial Report and Investment Advisor Performance Report for the Nine Month Period Ending September 30, 2011.

Director of Finance, Jennifer Demmerle, stated that the District's operating revenues are up 4% from last year ending September 30, 2011 at \$131 million. The District is projecting to be slightly higher than the budgeted amount for 2011.

Operating expenses are at \$67 million which is about \$4 million less than the amount spent last year at this time and therefore the District expects to be \$3 million to \$4 million under budget at the close of 2011, which places the District at the same spending level as 2010.

The District has approximately \$453 million invested and its portfolio is earning an average return of 0.8%. Of that \$453 million we have \$231 million remaining to be spent on our bond proceeds issued in 2010. Based on the cash flow of the Capital Program, the money will be spent through next year and the District anticipates going back to the bond market the first or second quarter of 2013.

The District continues to meet its financial metrics developed for 2011. Those metrics were listed on page eight of the report and are some of the metrics that the rating agencies look for.

2. Program Management Status Report and Update – October 2011.

Ms. Rotunno advised that great progress is being made at the ECT site. The Nine Mile Shaft location is deeper than 160 feet. Soft ground excavation began at the ECT Shaft 2

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which is near the Easterly plant. Excavation commenced at ECT Shaft 4. The earth support system for the division structure along Lakeshore Boulevard began near Beulah Park. The existing buildings located at the Shaft 5 site were demolished and excavation has begun at this site near Nottingham.

The District is coordinating with the City of Cleveland, Cleveland Public Power and First Energy for the relocation of utilities along Lakeshore Boulevard and the consolidation of relief sewers.

Bids for the ETDPS were opened and received on October 3rd. Five bid packages were submitted from various joint venture operations. The engineer's opinion of probable construction cost was \$86 million and the lowest bid was \$69.7 million submitted by Walsh and Atkinson. The District reviewed those bids and anticipates bringing its recommendation to the Board for consideration at its next meeting.

Ms. Rotunno moved discussion to the Renewable Energy Facility (REF) and she advised that in an attempt to secure the building and equipment before the snow falls, the contractors are busy building the brick veneer, air barrier and installing the roof. Refractory for incinerator 1 is complete and refractory for the other two incinerators is nearing completion.

The non-potable water booster pumps and incinerator dome spray units were installed on their equipment pads. Walsh continues to accept shipment of equipment and panels from IDI in anticipation of the factory acceptance testing that is scheduled to take place in late December.

Ms. Rotunno moved discussion to the Key Performance Indicators (KPIs). The District anticipates meeting its KPI for the number of projects delivered in 2011. The value of those projects is out of the District's control since the bids are coming in much lower than anticipated and therefore this KPI may be difficult to reach.

Ms. Rotunno referred to the KPI for the engineer's estimates of probable construction cost. The District rejected bids today due to bidders being higher than the engineers' estimates. Ms. Rotunno explained that provisions are in place to ensure that the engineers become less conservative and more robust with their estimates. The District is meeting its KPI at 10.8% of the average of bidder below the engineer's estimate.

Mayor Starr questioned at which point Engineering and Construction considers the bids to be suspiciously low.

Ms. Rotunno replied that "eyebrows start to raise if you are 15% under the engineer's estimate."

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Mayor Starr questioned, "What do you look for...why would you raise suspicion?"

Ms. Rotunno explained that the population of the bidders is considered and then the proximity of the next lowest bidder to the lowest bidder. If there is a bidder within striking difference, then it suggests that it might not have been only the lowest bidder who looked at this particular project differently.

The bid package is then analyzed to ensure that the contractor conformed to the District's requirements by following the procedures, means and methods prescribed in the contract documents.

If there are no discrepancies, then the District meets with the contractor to discuss and verify their bid. If the bond is in place and assuming all other requirement have been complied with then the District will make its recommendation to award the contract to the lowest and best bidder.

Executive Director Ciaccia added that Ms. Rotunno and her staff are currently engaged in this bid verification process for the ETDPS project. In addition to those bids being lower than the engineer's estimate, the lowest bidder was considerably lower than the second lowest bidder.

Mayor Starr commented that he was not familiar with some of the companies that submitted bids. He inquired as to what media outlets are used to advertise District projects and whether the District advertises in Northeast Ohio, at a nationwide level and also in Canada.

Ms. Rotunno noted that many of the companies submitted bids as joint ventures and therefore they dropped the name of their firm and in some instances created new firms. Also, there are specialized firms that perform "specialty-type" construction work. The subcontractors delivering for those joint ventures are going to be comprised of union labor. Those contractors are registered with the District either as a minority business enterprise (MBE), womens business enterprise (WBE) or small business enterprise (SBE).

Ms. Rotunno turned discussion over to Ms. Demmerle to discuss the media outlets the District uses when advertising District projects.

Ms. Demmerle stated that the projects are advertised on the District's website, through various engineering organization publications and also mailed to District vendors.

Ms. Rotunno continued with the KPI discussion and advised that the status of delivering 85% of District projects within 105% of the base contract amount was indicated by a red

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dot. The graph showed projects that closed to date in 2011. The shaded section of the graph listed projects that are projected to close in 2011. Ms. Rotunno noted that four bars were above that KPI goal, which is the green line of using only 5% of the base contract or half the general allowance. The red upper line represented the contract upper limit. Ms. Rotunno noted that no contract has exceeded the upper limit, rather they exceeded the District's goal of using only half of the general allowance.

Ms. Rotunno explained that she reviewed those contracts and discovered that even though a larger portion of the general allowance was expended and the District missed its KPI, the District still saved money by selecting the next lowest contractor at that point in time. For example, with respect to the Primary Settling Tank project, the bids were 14% under the engineer's opinion of probable construction cost and the lowest bid came in 7% less than the second lowest bidder. The bids were 22% under the engineer's opinion of probable construction cost on the SOMRS project and the District expended 68% of the general allowance, but the contractor was 11% lower than the next lowest bidder. With respect to the CSO Rehabilitation project, the contractor was 12% lower than the engineer's estimate of probable construction cost and 6% lower than the second lowest bidder.

Ms. Rotunno noted that when substantially low bids are received, the District should be prepared to administer its general allowances because the contract will more than likely have issues. Although the KPI on those projects will most likely not be reached, the District can confidently deliver its project within the contract value. Ms. Rotunno stated that the District is projecting closing out at 71% versus 85% on that particular KPI.

One project closed out under the SBE/MBE/WBE program, which failed to meet its goal. The District projects that 78% of the projects will meet or beat its subcontracting goals and two projects will not. Ms. Rotunno stated the District is very close to its 80% KPI and therefore the subcontracting program is working very well.

Ms. Rotunno next provided the Board with a brief overview of the District's SharePoint program which is the database used to monitor the Capital Improvement Program (CIP).

She prompted the database to show projects that were in the queue waiting for her approval, current work orders, construction change orders, pay requests, resolution requests and invoices. Each project, including plant design and plant construction and collection system design and collection system are listed in the site.

Ms. Rotunno then took the Board through the process of authorizing general allowances. The screen prompts Ms. Rotunno of work orders needing approval. By clicking "approve" the document becomes available for her review. Ms. Rotunno then has the opportunity to review and/or approve the work order. The work order includes a

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description of the change order, a list of all change orders on the project and backup documentation required for EPA funding. The work order lists the engineer's opinion of this change order and states whether or not it is valid and cost appropriate. Listed is the contractor's proposed cost and agreed upon cost on their letterhead. The District's preauthorization letter is also included.

Ms. Rotunno noted that all of the documents and paperwork associated with the project can be viewed through SharePoint. After Ms. Rotunno completes her review of the work order and approves the change, then the work order advances from her action items list to Executive Director Ciaccia's action items list, at which time he will receive an email notification prompting him that an order is in his queue waiting for approval. At this point, Executive Director Ciaccia will have an opportunity to review the same information. After Executive Director Ciaccia approves and advances the work order, it is then processed through the Finance Department and becomes part of the contract against which the contractor can invoice.

Ms. Rotunno showed the Board the ECT construction site on SharePoint. All permits, contractor and EPA correspondence, meeting minutes, work orders, pay applications and submittals are accessible through this site. Project team members also have a "To Do" list on their screens.

Ms. Rotunno then showed the Board the pay request site. Over 1,300 submittals have been processed through the District's electronic system. The pay system is categorized by work orders, change orders and deduct orders.

Ms. Rotunno noted that the contractors use the SharePoint system and District spreadsheet every month. Each contractor uses the same format and information and therefore there are less payment issues.

In addition to the backup of the contractor's worksheet is a performance graph for SBE, MBE and WBE monthly tracking. The blue line represents the contractor's goal at the beginning of the project and the green line shows the actual invoicing and tracking against the contractor's goal.

Ms. Rotunno noted that the red and green dots indicate changes to the contractor's commitment. A green dot represents that a contractor's commitment increased over the original bid. The red dot indicates that a contractor's commitment decreased over the original bid. All "greens" represent new subcontractors that have been added during project progression.

Ms. Rotunno showed the Board the construction financial summary report which lists each construction project, the contract number, design consultant and contractor. The

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right-hand side shows the percentage of projects completed. Three columns to the left shows the total general allowance committed.

Ms. Rotunno stated that areas highlighted in yellow show that the general allowance being spent faster than project completion, and she noted that “we want to keep our eye on this ball” and know “when we’re spending general allowance as quickly as the project is finished because that is an indication that we might not make our KPI.”

There is a monthly Contract Compliance report for subcontracting which shows the overall percent, the percentage committed by the contractor and the amount paid to date. Yellow is used to show if the contractor is lagging behind and may potentially miss their subcontracting goal.

Ms. Rotunno showed the Board the dashboard component in the SharePoint program. The Cost Performance Indicator (CPI) and Schedule Performance Indicator (SPI) is industry standard and measures the District’s progress on cost and schedule. If the District is under 1, then it is not good. Over 1 is good and at 1 is ideal.

Ms. Rotunno explained that each project in the CIP is plotted in different quadrants. Projects under budget and ahead of schedule were in the upper right quadrant. Projects under budget and behind schedule were in the upper left quadrant. Projects over budget and behind schedule were in the lower left quadrant. Projects over budget and ahead of schedule were in the lower right quadrant. The ECT project was in the middle.

Ms. Rotunno noted that also included on the summary page was a historical graph, monthly trending of the SPI and CPI and cash flow graph. Additionally, there is a chart showing how funds are being expended versus how the District projected to expend them. There is an entire schedule of every project in its lifecycle.

Mayor Starr commented that he found this to be an “amazing process.” He questioned if Ms. Rotunno brought this program with her from Brown & Caldwell.

Ms. Rotunno replied that this program was developed with the help of Don DeWolfe and Candice Turner from CH2MHill, Deputy Director of Engineering and Construction, Jim Bunsey and Engineering Planning Manager, Greg Binder. Director of Information Technology, Humberto Sanchez, provided them with a speedy network connection.

Mr. Brown stated that the program was impressive and easy to grasp and that it is gratifying to have “your hands on the pulse of everything that is important financially and programmatically to the District’s CIP.” Mr. Brown commented that he is comfortable with the transparency and the District’s ability to share, track and understand the delivery

and costs associated with District projects. Mr. Brown appreciated the staff's effort in delivering such a great asset and tool for use by the District and Board.

Ms. Rotunno commented that the District is very fortunate to have a tool like this and that it will be a model in the industry.

Mr. Bucci noted that the state auditor raved that this tool was "best in class" and will be used as "best practices in the state of Ohio."

Executive Director Ciaccia requested that Ms. Rotunno introduce her two new hires to the Board. Ms. Rotunno introduced Gary Hoffman, Design Manager of Collection Systems, and Victoria McCauley, Design Manager of Stormwater. On behalf of the Board, Mr. Brown welcomed Mr. Hoffman and Ms. McCauley to the District.

VII. Public Session (any subject matter)

No members from the public registered to speak at Public Session.

VIII. Open Session

There were no items for discussion.

IX. Executive Session

Mr. Brown stated that there were matters for discussion in Executive Session.

MOTION – Mayor Bacci moved to enter into Executive Session to consult with District administration regarding matters previously detailed under Executive Director Ciaccia's regular report to the Board. Mayor Bacci stated that discussion of these matters in Executive Session are permitted as specific exceptions to the Public Meetings Act pursuant to Ohio Revised Code §121.22(G)(3) and he specifically designated all matters discussed in Executive Session to be protected from public disclosure in accordance with Ohio Revised Code §121.22(g) and attorney-client privilege. A roll call vote was taken and the motion carried unanimously to adjourn into Executive Session.

The Board met in Executive Session from 1:32 p.m. to 1:48 p.m.

X. Approval of Item from Executive Session

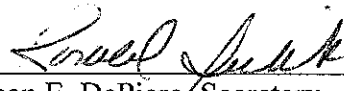
Resolution No. 263-11

Service Agreement Amendment with
Summit County and Village of Richfield.

MOTION - Mayor DePiero moved and Mr. Sulik seconded to add and adopt Resolution No. 263-11. Without objection, the motion carried unanimously.

XI. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mr. Sulik moved and Ms. Kelly seconded the motion to adjourn at 1:49 p.m. Without objection, the motion carried unanimously.



Dean E. DePiero, Secretary
Board of Trustees
Northeast Ohio Regional Sewer District



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