

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
DECEMBER 4, 2014

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

I. Roll Call

PRESENT: D. Brown
R. Sulik
W. O'Malley
J. Bacci
T. DeGeeter
S. Dumas
R. Stefanik

The 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 November 20, 2014, Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

Chief Executive Officer (CEO) Ciaccia informed the Board that no one signed up to speak about a specific agenda topic.

IV. Chief Executive Officer's Report

CEO Ciaccia began his report by stating that staff met with Standard & Poor's and Moody's last week. The presentations went well and the District received an AA+ rating from Standard & Poor's. Their rating reflects the following characteristics: a large and stable service area that includes the City of Cleveland and most of Cuyahoga County; a currently competitive rate structure, which, however, is subject to upward pressure as the District phases in its capital plan; the existence of numerous management policies that are supportive of credit quality; and strong maintenance of financial metrics.

Offsetting those strengths is the amount of debt incurred to carry out the program.

The outlook is stable, supported by the District's ongoing willingness to adopt multi-year rate increases to support operating and capital costs. The rating from Moody's likely will be available tomorrow.

CEO Ciaccia stated that the only other matter to report is that the District received two awards: the Ohio Auditor of State Award with Distinction, which Chief Financial Officer Jennifer Demmerle received due to a clean audit, and the Whitney M. Young Corporate Champion Award from the Urban League for the Good Neighbor Ambassador Program.

V. Action Items

Authorization to Enter Into Contract

Resolution No. 273-14	Contract with Heidelberg University to Operate a Water Quality Monitoring Station on the Cuyahoga River at Independence. Cost: \$68,000.00.
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MOTION – Mayor Bacci moved and Mayor DeGeeter seconded to adopt Resolution No. 273-14. After discussion and without objection, the motion carried unanimously.

Authorization of Contract Modification

Resolution No. 274-14	Authorize Final Adjustment Modification for Construction Contract No. 14002264 with Triad Engineering and Contracting Company for the Green Creek Minor Culvert Repair Project. Cost: A Decrease in the Amount of \$52,993.09 Bringing the Total Contract Price to \$101,006.91.
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Resolution No. 275-14	Authorize Final Adjustment Modification for Construction Contract No. 12002309 with Kokosing Construction Company for the Easterly/Westerly Electrical Project. Cost: A Decrease in the Amount of \$1,197,003.08 Bringing the Total Contract Price to \$13,151,996.92.
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Resolution No. 276-14	Authorize Final Adjustment Modification for Construction Contract No. 3532 with Infilco
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Degremont, Inc. for Contract 28B – Fluidized Bed Incinerator Equipment Procurement Southerly Wastewater Treatment Center Project. Cost: An Increase in the Amount of \$576,878.60 Bringing the Total Contract Price to \$50,329,878.60 and a Schedule Extension of 583 Days.

Resolution No. 277-14

Authorize Final Adjustment Modification for Construction Contract No. 10000024 with Walsh Construction Company for the Southerly Wastewater Treatment Center Renewable Energy Facility Project, Contract 28. Cost: An Increase in the Amount of \$1,774,419.22 Bringing the Total Contract Price to \$97,603,419.22 and a Schedule Extension of 406 Days.

Resolution No. 278-14

Authorize Contract Modification for Construction Contract No. 11000368 with Middough, Inc. for the Southerly Low-Voltage Equipment Replacement Project. Cost: A Period Extension of 1,161 Days with No Increase in the Contract Price.

MOTION – Mr. Sulik moved and Mr. O’Malley seconded to adopt Resolution Nos. 274-14 through 278-14. After discussion and without objection, the motion carried unanimously.

Regarding Resolution No. 277 -14, Mr. Brown inquired whether the District will be in the position to realize 25% savings of electric power when the project is completed. Jim Bunsey, Director of Engineering & Construction, advised that the turbine generator is currently producing electricity upwards of \$3,500 per day and reduced cost of power. They are realizing savings up to that level and beyond.

Authorization of Property-Related Transaction

Resolution No. 279-14

Authorize One Fee-Simple Acquisition from the Cuyahoga County Land Reutilization Corporation Necessary for Construction of the Urban Agriculture Green Infrastructure Project. Consideration: \$1.00.

Resolution No. 280-14

Authorize One Fee-Simple Acquisition from Belinda A. James Necessary for Construction of

the Doan Valley Tunnel Project. Total
Consideration: \$30,000.00.

Resolution No. 281-14 Authorize One Fee-Simple Acquisition from the
Cuyahoga County Land Reutilization Corporation
Necessary for Construction of the Woodland
Central Green Infrastructure Project.
Consideration: \$1.00.

Resolution No. 282-14 Authorize 21 Fee-Simple Acquisitions from the
City of Cleveland, as Part of its Land Reutilization
Program, Necessary for Construction of the
Woodland Central Green Infrastructure Project.
Total Consideration: \$85,150.00.

Resolution No. 283-14 Authorize Two Permanent Sewer Easement
Appropriations from David Kaiser and Oded
Kaiser, Co-Trustees, Necessary for Construction of
the Dugway Storage Tunnel Project. Total
Consideration: \$6,985.00.

Resolution No. 284-14 Authorize One Permanent and One Temporary
Easement to Breakwater Bluffs, LLC for the
Purpose of Constructing a Bike Path. Total
Consideration: \$0.00.

Resolution No. 285-14 Authorize the Payment of Relocation Benefits to
Lela Mims Necessary for Construction of the
Dugway West Interceptor Relief Sewer Project.
Cost: \$3,307.50.

MOTION – Mr. O'Malley moved and Mayor Bacci seconded to adopt Resolution Nos. 279-14 through 285-14. After discussion and without objection, the motion carried unanimously.

Regarding Resolution No. 280-14, Mr. Brown noted the tunnel appears to be 3.5 miles long and 17 feet in diameter; he inquired if that is accurate and whether the alignment has been determined. Mr. Bunsey advised that the alignment is being determined now and property easements are being acquired. Staff can show the Board the alignment in the near future. Mr. Brown expressed interest in seeing it.

Authorization to Hearing Officer Designation

Resolution No. 286-14

Authorize Designation of Kellie C. Rotunno as Hearing Officer for Appeal of Administrative Determinations and Jennifer Demmerle as Substitute Hearing Officer for Appeal of Administrative Determinations.

MOTION – Mayor Bacci moved and Mr. Sulik seconded to adopt Resolution No. 286-14. After discussion and without objection, the motion carried unanimously.

VI. Information Items

1. Community Discharge Permit Program Status

Mr. Greenland stated that a presentation on the Community Discharge Permit Program is given annually. The Program has been in effect since the mid-1980s and regulates the member communities by requiring Inflow & Infiltration control, dealing with illicit discharges and controlling sanitary sewer overflows.

Mary Maciejowski, Project Planner in the Watersheds Department, advised that staff plans to present these updates to the Board annually after completing its report to the Ohio EPA on the program status, which is a requirement of wastewater treatment plant NPDES permits.

The program was established in 1986 under Titles III and IV. Title IV was added in 1994 after the federal government issued its CSO policy.

Currently 44 communities have been issued permits and there are two categories. Priority I are communities with SSOs that need to be addressed; they are mandated local capital improvement projects. These projects were the result of a technical program that Priority 1 communities were asked to develop and included an implementation schedule.

In terms of permit requirements, Priority 1 communities are required to perform the technical program projects they developed and submitted to the District. Another permit requirement is to meet performance objectives defined in each community's permit. These include the control of sanitary sewer overflows to the applicable design storm for the particular District interceptor to which that community discharges.

Ms. Maciejowski advised that another performance objective is to adhere to established peak flow limitations outlined in the permits by minimizing inflow and infiltration. Peak flow limitations are limits on how much flow a community can discharge at a connection point to a

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District interceptor or how much it can discharge to a downstream community at a boundary crossing.

Other permit requirements involve dry weather sanitary discharges. Communities are required to properly report and eliminate the sources of contamination. They also must implement best management practices they developed in response to a need for a proper sewer maintenance program. Finally, they provide an annual compliance update to the District outlining what they have done in the past year.

Ms. Maciejowski advised that District activities are primarily tracking community compliance in terms of SSO statistics, technical program activities, BMP, capital improvements spending, dry weather discharge reporting and remediation and illicit discharges. Staff prepares District-initiated permit modifications and revisions to Titles III and IV, which govern the permit program.

There were a total of 91 technical program projects in the community permits. 72 have been completed and no additional technical program projects were completed in 2013. There are 223 known sanitary sewer overflows in the permitted communities. Approximately 78% or 173 have been reported as either controlled or eliminated.

The permit program requires communities to control SSO activation to the applicable design storm; however, EPA Region V has taken the position that all SSOs are illegal and, therefore, are to be eliminated. There is a difference between that mindset and the way the permit program is operated.

CEO Ciaccia noted that 223 are known; there are some unknown. Mr. Greenland explained that staff has become aware through integrated planning work of potentially more in multiple communities and field investigations continue. Mr. Brown questioned whether all of the unknowns by definition would be illicit discharges. Mr. Greenland advised that the additional discharge structures that have been discovered are improper connections and are sending illicit discharges into the environment. They are illicit discharges according to US EPA.

Ms. Maciejowski advised that most of the structures in the permits were found in the 1980s when evaluation studies were done around the design of interceptor projects. Since then, staff has come across additional structures which are part of the local system and designed to overflow during wet weather.

Mr. Brown inquired what the District will do. Mr. Greenland explained that staff has had discussions with the EPA. When overflows are identified through field investigation, discussions will commence with communities regarding their alleviation.

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Ms. Maciejowski moved to dry weather sanitary discharge statistics. There are currently 15 problem areas in which staff are pursuing investigations and working with 8 communities. Five problems were resolved during 2014 and staff is planning to meet with communities and investigate and assist them with identifying sources of contamination.

Mr. Greenland stated that communities are obligated to sample their storm sewers during dry weather as part of their Phase 2 permits. The District WQIS crews and Watersheds staff are only addressing the worst water quality discharges.

Mr. Brown stated that a discussion needs to be held because communities spend a lot of money doing due diligence to address these issues only to be impacted by other communities that do not do as good of job. A better approach is needed to get people to comply. Mr. Greenland stated that the District is as good as there is nationally at identifying the problems but getting them remediated is a long process.

Ms. Maciejowski advised that some of the 8 communities with unresolved dry weather sanitary discharge problems are serviced by the Cuyahoga County Department of Public Works. District staff has been working with them to assist with their investigations of sources of contamination particularly in Garfield Heights, Parma Heights and Brooklyn.

Concerns for the program include getting communities to timely submit their annual compliance reports -- communities serviced by the County are reliant on that information. Another area of concern is ensuring that communities work on SSO problems and develop plans for control and elimination. The District's knowledge of SSOs is limited to what was found in the 1980s and there are potentially many more.

Other concerns include the communities' proper fiscal capability to respond to emergency repairs and routine operations and maintenance. Proper reporting of dry weather discharges is an issue and expedition correction; once the source of contamination is identified the community moves to eliminate that source.

Ms. Maciejowski advised that future activities include assisting communities with their plans for control and elimination of SSOs and to meet with them about remaining SSOs, technical program projects that have not been completed or other issues such as dry weather discharges.

Staff will monitor and verify the control status of SSOs, particularly those reported as controlled or eliminated. Staff will also collaborate with communities to look at areas with noncompliance with peak flow limitations set in the permits.

Ms. Maciejowski stated that currently staff is looking at the tributary areas to peak flow limitation points and determining where changes have occurred in local activity. The process

will help identify areas with violations of peak flow limitations. Staff will work with communities to address the illicit sanitary discharges to storm sewers.

VII. Open Session

There were no matters.

VIII. Public Session (any subject matter)

No members of the public registered to speak during Public Session.

IX. Executive Session

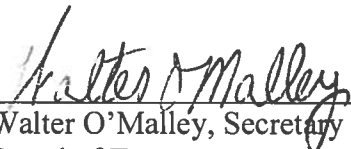
There were no items.

X. Approval of Items from Executive Session

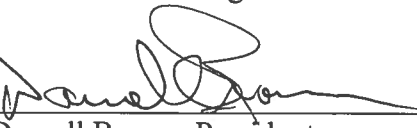
There were no items.

IX. Adjournment

MOTION – Mr. Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved and Mayor Stefanik seconded the motion to adjourn at 1:04 p.m. Without objection, the motion carried unanimously.



Walter O'Malley, Secretary
Board of Trustees
Northeast Ohio Regional Sewer District



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