

MINUTES  
NORTHEAST OHIO REGIONAL SEWER DISTRICT  
BOARD OF TRUSTEES MEETING  
DECEMBER 17, 2020

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.

President Brown opened the meeting by addressing the COVID-19 pandemic, and read the following statement:

Due to the COVID emergency, we are again conducting our board meeting via live stream video conference using the Zoom Video Communications tool and pursuant to continuing authority of House Bill 404.

Members of the public may observe and hear the meeting using the Zoom login link found on the top of the District website, and those who wished to address the Board were able to make that request through the Zoom system prior to the start of the meeting.

I. Roll Call

PRESENT: Darnell Brown  
Ronald Sulik  
Samuel Alai  
Terence Joyce  
Jack Bacci  
Timothy DeGeeter  
Sharon Dumas

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

II. Approval of Minutes

**MOTION** – Mayor Bacci moved, and Mr. Joyce seconded to approve the Minutes of the December 3, 2020, 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, began her report by providing an update regarding the District's ongoing COVID-19 pandemic response. Ms. Dreyfuss-Wells informed the Board that as of December 17, 2020, the District has a total of forty-eight employees with confirmed

diagnoses, of whom thirty have recovered and returned to work, ten have recovered and are in various stages of the return-to-work process, and eight are convalescing. There are two additional employees who are symptomatic and awaiting test results. The District wishes them a full and speedy recovery. There are five District employees with no COVID-like symptoms who are remaining at home because a member of their household has tested positive for COVID-19.

Ms. Dreyfuss-Wells advised the Board that there would be a Resolution for their consideration to update the District's Tuition Assistance Program (TAP) policy, which has been in place for twenty-five years and has helped many District employees advance their careers. Supporting employees to continue their education creates great value for the District and creates new opportunities within the District for its employees. Ms. Dreyfuss-Wells invited two District employees, Chazman Weeden, Infrastructure Service Representative, and Pauletta Hubbard, Manager of Customer Service, to share their experiences with TAP.

Mr. Weeden explained that he has been with the District for more than six years. For the first three years, he served as an Operation and Maintenance worker at the Southerly WWTP. He then accepted a role as an Infrastructure Service Representative at GJM and enjoys his role of working with various departments and customers. Mr. Weeden had not planned on returning to school until he learned about TAP and used the program to finish his degree and further his career. Mr. Weeden explained that, especially as a single parent, being able to obtain his degree through the program removed a significant financial burden. He encouraged any District staff considering furthering their education to take advantage of the program, stating that it is a great employee benefit and complimented the Human Resources Department for keeping the program running smoothly.

Ms. Hubbard explained that she has worked in the District's Customer Service Department for thirty-one years. She started as a Customer Service Representative and at that time, there was not much opportunity for advancement within the Department. Once the Customer Service Department was placed under the Administrative and External Affairs Department, more advancement opportunities became available. Ms. Hubbard then served as a Billing and Special Programs Specialist for five years but wanted to advance her career further. She explained that she was apprehensive about continuing her education at her age and with the associated costs. She utilized TAP to make college affordable and it forced her to set long-term goals for both her education and career. She earned her Associates of Applied Business Management Degree from Cuyahoga Community College in 2016 and in 2018, graduated *cum laude* from Cleveland State University with a Bachelor of Arts degree in Urban Studies with a concentration in Public Administration. Ms. Hubbard added that utilizing TAP provided her with an affordable option to further her education and the confidence that goes along with it, as well as obtain the credentials needed to pursue other positions within the District. The program helped her to achieve her professional goals.

Ms. Dreyfuss-Wells thanked Mr. Weeden and Ms. Hubbard for their comments, adding that they are the District staff that customers speak with when they call the Customer Service Department. Ms. Dreyfuss-Wells expressed her appreciation for the work done by the Customer Service Department.

Ms. Dreyfuss-Wells further advised the Board that on December 15, the District hosted a meeting of the Suburban Council of Governments (SCOG), chaired by Mayor Ward of Lyndhurst. The District updated the SCOG on the Consent Decree modifications, the Help is Here campaign, the rate study, and discussed the Community Cost-Share Program. The next meeting will take place on March 24, 2021.

President Brown congratulated Ms. Hubbard and Mr. Weeden for their accomplishments on behalf of the Board and noted that it must not have been an easy decision or process for either of them. President Brown offered kudos to them for obtaining their degrees and added that he appreciates the value that they bring to the District. President Brown noted that working in customer service can be challenging under normal conditions and expressed his appreciation for a job well done during these trying times.

#### V. Action Items

##### Authorization to Advertise

Resolution No. 361-20            Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Chapter 6119, for Grounds Maintenance Services with an anticipated expenditure of \$145,000.00.

**MOTION** – Mr. Sulik moved, and Mayor Alai seconded to adopt Resolution No. 361-20. Without objection, the motion carried unanimously.

##### Authorization to Enter Into Agreement

Resolution No. 362-20            Authorization to enter into a three-year labor agreement with the International Union of Operating Engineers Local 18-S, AFL-CIO effective January 1, 2021 through December 31, 2023, including those substantive terms and conditions set forth in the Tentative Agreements presented, and any other mutually agreeable terms and conditions.

Resolution No. 363-20            Authorization to enter into service agreements with ten watershed organizations, under the 2021 Watershed Partners Service Agreement Program, to provide technical services in support of the District's Strategic Plan goal of Community Partnerships in varying amounts, as presented, with a total combined amount not-to-exceed \$375,000.00.

Resolution No. 364-20            Authorization to enter into agreements with Ohio City Incorporated and the Waterloo Arts District to implement projects under the 2021 Green Infrastructure Grants for the Combined Sewer Area Program, as presented, in the total combined amount not-to-exceed \$432,435.18.

Resolution No. 365-20 Authorization to sponsor projects under the Ohio EPA's Water Resource Restoration Sponsor Program and enter into Sponsorship Agreements with Natural Areas Land Conservancy, Western Reserve Land Conservancy, Portage Park District, Cleveland Museum of Natural History, and The Nature Conservancy for the 2020-2021 funding cycle, as presented, and at no cost to the District.

Resolution No. 366-20 Authorization to enter into a professional services agreement with Case Western Reserve University for Amphibian Mitigation and Monitoring services at the Nine Mile Creek Site as required under the District's Ohio EPA and US Army Corp of Engineers Clean Water Act Section 401 and 404 permits, for years 2021 through 2024, in a total amount not-to-exceed \$67,536.00.

**MOTION** – Mr. Joyce moved, and Mayor Bacci seconded to adopt Resolution Nos. 362-20, and 364-20 through 366-20. Without objection, the motion carried unanimously.

**MOTION** – Mr. Sulik moved, and Mayor Bacci seconded to adopt Resolution No. 363-20. Without objection, by roll call vote, with all present members voting yes and recusal from discussion and abstention from voting by President Brown, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 367-20 Authorization to enter into a three-year requirement contract with Kimble Company for sludge cake removal services for the Southerly and Westerly Wastewater Treatment Plants in an amount not-to-exceed \$575,113.00.

Resolution No. 368-20 Authorization to enter into a construction contract with Shook Construction Company for the Westerly Settling Tank Rehabilitation Project in an amount not-to-exceed \$3,238,400.20.

**MOTION** – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution Nos. 367-20 through 368-20. Without objection, the motion carried unanimously.

Authorization of Contract Modification

Resolution No. 369-20 Authorizing final adjusting change order for Contract No. 16003328 with Triad McNally Joint Venture for the East 140<sup>th</sup> Street Consolidation and Relief Sewer Project by decreasing the contract amount by \$4,392,443.60, thereby bringing the total contract amount to \$65,057,496.40.

**MOTION** – Mayor Alai moved, and Mr. Sulik seconded to adopt Resolution No. 369-20. After the following discussion, without objection, the motion carried unanimously.

President Brown asked whether this project completes the East 140<sup>th</sup> Street segment of the process, noting that this is a significant project. Devona Marshall, Director of Engineering and Construction, explained that the construction of this project is completed and this is the final adjusting change order to closeout the project. However, the overall Control Measure 6, which the East 140<sup>th</sup> project is a part of, is still ongoing. The overall Control Measure is scheduled to complete construction by the end of this year with the completion of the London Road Project.

Property Related Transaction

Resolution No. 370-20 Authorizing the District to acquire one permanent sewer easement on property known as part of PPN 108-16-019, located on Dupont Avenue, in the City of Cleveland, owned by the Greater Cleveland Regional Transit Authority, necessary for the construction and maintenance of the Shoreline Storage Tunnel project with total consideration of \$28,800.00.

Resolution No. 371-20 Authorizing the District to acquire one temporary easement on property known as part of PPN 132-20-023, located at 6929 Ottawa Road, in the City of Cleveland, owned by Carol Golembiski, aka Carol A. Golembiski, necessary for the construction of the Morgana Burke Systems Improvement project with total consideration of \$300.00.

Resolution No. 372-20 Authorizing the District to enter into a Right of Entry Agreement with William J. Svoboda for the temporary use of property known as PPN 432-12-022, located at 10700 Biddulph Road, in the City of Brooklyn, owned by William J. Svoboda, necessary for the construction of the Biddulph Road House Demolition and Site Restoration project with total consideration of \$1.00.

Resolution No. 373-20 Authorizing the District to enter into a Right of Entry Agreement with William J. Svoboda for the temporary use of property known as PPN 432-12-018, located at 10716 Biddulph Road, in the City of Brooklyn, owned by the District, with total consideration of \$1.00.

**MOTION** – Mr. Sulik moved, and Mayor Alai seconded to adopt Resolution No. 370-20. Without objection, by roll call vote, with all present members voting yes and recusal from discussion and abstention from voting by Mr. Joyce, the motion carried unanimously.

**MOTION** – Mr. Joyce moved, and Mr. Sulik seconded to adopt Resolution Nos. 371-20 through 373-20. Without objection, the motion carried unanimously.

Authorization to Retain Legal Counsel

Resolution No. 374-20      Authorization to retain Squire Patton Boggs, L.L.P. and Forbes, Fields & Associates Co., L.P.A. to serve as co-bond counsel for the Series 2021 Wastewater Improvement Revenue Refunding Bonds in a total amount not-to-exceed \$125,000.00.

**MOTION** – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 374-20. Without objection, the motion carried unanimously.

Authorization for Bond Issuance

Resolution No. 375-20      Providing for the authorization, issuance, and sale of not-to-exceed \$210,000,000 Northeast Ohio Regional Sewer District Wastewater Improvement Refunding Revenue Bonds, Series 2021 (Federally Taxable), for the purpose of refunding some or all of certain obligations previously issued for the purpose of acquiring, constructing and improving water resource projects, all as authorized by the Trust Agreement; authorizing the execution of a Eleventh Supplemental Trust Agreement to extend the pledge of Net Revenues and Special Funds to secure such Series 2021 Bonds, to provide covenants appropriate to the protection and disposition of such Net Revenues and Special Funds, and to secure the payment of the principal of and interest on the Series 2021 Bonds at their respective maturities on a parity with the Series 2005 Bonds, the Series 2007 Bonds, the Series 2010 Bonds, the Series 2014 Bonds, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2019 Bonds, the Series 2020 Bonds and Additional Bonds that may be issued in the future; authorizing the execution of an Escrow Agreement for the purpose of effecting the refunding of the Refunded Bonds; authorizing the preparation and distribution of a preliminary and final Official Statement; authorizing the execution of a Bond Purchase Agreement, a Certificate of Award, and a Continuing Disclosure Agreement; designating BofA Securities, Inc. as senior manager and Citigroup Global Markets, Inc. as co-senior manager and Bancroft Capital, LLC, KeyBanc Capital Markets, Inc. and Siebert Williams Shank & Co., LLC as co-managers; and authorizing such other actions as are necessary and appropriate to accomplish the transactions hereby authorized.

**MOTION** – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 375-20. After the following discussion, without objection, the motion carried unanimously.

President Brown stated that the District has been participating in these activities for some time and will continue to do so, adding that he would like to know the total amount of money that has been saved as a result, impacting the District's rate setting abilities.

Ken Duplay, Chief Financial Officer, explained that regarding the effectiveness of the debt management and decisions made going into the last rate cycle, Finance has estimated that by utilizing SRF loans as opposed to revenues bonds, the District has been able to achieve significant savings in terms of debt service reduction through the lower rates of the low interest loans. On a net present value basis, the District has saved over \$100 million in debt service by utilizing those loans. Regarding the refinancing of bonds undertaken since 2017, the District has saved \$83 million of debt service on a net present value basis. Combined, those represent \$191 million in debt service. In terms of gross debt service savings, it equals over \$275 million. The District has made every effort to minimize its cost of borrowing and will pass those savings on to ratepayers in the next rate study. As for this transaction, the District is anticipating, depending on market conditions, to go to market in January on a \$100 million to \$150 million dollar range refunding of some 2013 and 2014 outstanding bonds. The District is expecting 9% to 10% net present value savings, potentially \$10 million to \$15 million net present value savings, through this transaction. The District will monitor the market and with this authorization will be able to execute a transaction when the savings seem most ripe. The Board thanked Mr. Duplay and commended a job well done in this regard.

#### Authorization to Grant Credit

- Resolution No. 376-20      Authorizing the District to issue a credit adjustment in the total amount of \$37,126.38 against sewer charges on the NEORSD Account number ending in 8383 for KHET, LLC. at 8777 Rockside Road, Valley View.
- Resolution No. 377-20      Authorizing the District to issue a credit adjustment in the total amount of \$36,461.43 against sewer charges on the NEORSD Account ending in 0003 for Park Synagogue Cemetery at 25760 Chagrin Boulevard, Beachwood.
- Resolution No. 378-20      Authorizing the District to issue a credit adjustment in the total amount of \$39,959.86 against sewer charges on the NEORSD Account ending in 0001 for W. 130 Industrial, LLC at 4825 West 130<sup>th</sup> Street, Cleveland.

**MOTION** – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution Nos. 376-20 through 378-20. Without objection, the motion carried unanimously.

#### Authorization to Adopt Policy

- Resolution No. 379-20      Authorization to adopt the District's revised Tuition Assistance Policy, substantially as presented, and effective January 1, 2021.

**MOTION** – Mr. Joyce moved, and Mayor Alai seconded to adopt Resolution No. 379-20. Without objection, the motion carried unanimously.

Authorization of Re-Appointment

Resolution No. 380-20            Re-appointing Kyle Dreyfuss-Wells as Chief Executive Officer of the Northeast Ohio Regional Sewer District, beginning January 1, 2021, and authorizing Board President Darnell Brown to execute an agreement with Ms. Dreyfuss-Wells with terms substantially in the form as presented, including a four-year term, extendable by up to four additional years, and a salary freeze in the first year (2021).

**MOTION** – Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 380-20. After the following discussion, without objection, the motion carried unanimously.

The Board congratulated Ms. Dreyfuss-Wells for her reappointment as Chief Executive Officer and expressed their appreciation for her efforts.

VI.    Information Items

President Brown indicated that the Chief Legal Officer's Report of Settlement and Release Agreements for Period July – December 2020 was provided in the Board materials and Board Members should direct any questions or comments regarding the report directly to Mr. Luckage.

Ms. Marshall advised the Board that she would provide the year-end report during the second meeting in January 2021, and provided an update regarding the Capital Improvement Program for the month of November 2020, as follows:

Regarding cashflow, November ended at 75% of planned, which is an increase from the three prior months which closed at 73%. Actual dollars paid in November total \$18.5 million and \$158.4 million year-to-date.

As for Key Performance Indicators (KPIs), the construction contract was awarded for the CSO Outfall Protection Project within 60 days of planned, meeting that KPI. However, the KPI for the engineer's estimate was not met as the average of the three lowest bids did not come in within 10% of the estimate of \$495,000, and the contract was awarded for \$415,500.

Substantial completion was achieved on the Easterly Bar Screen Conveyor Belt Rehabilitation Project, which is a \$3.3 million design-build contract. It was not completed within 90 days of planned, not meeting that KPI.

Ms. Marshall then provided the construction highlight regarding the East 140<sup>th</sup> Consolidation and Relief Sewer Project. The project is a part of Control Measure 6, which is the largest control measure in terms of the number of projects that comprise it, as well as the volume of CSO that will



be achieved under the Control Measure. It is comprised of 11 projects and will control approximately 950 million gallons of CSO control from 12 outfalls in the Easterly district. Included in this Control Measure are two large diameter tunnels, the Euclid Creek Tunnel and Dugway Storage Tunnel. The East 140<sup>th</sup> Project is the second to last project that will be completed under the Control Measure, with only the London Road Project remaining, which will achieve substantial completion by the end of this year.

The final cost of the East 140<sup>th</sup> Project is \$65 million. The consolidation sewer itself is the largest input to the Dugway Storage Tunnel which will control 376 million gallons of annual CSO. This project also included an Appendix 3 Green Infrastructure component which will achieve an additional 6 million gallons of annual CSO control. That project was located in both the Cities of Cleveland and East Cleveland with construction commencing in 2016 and achieving substantial completion in August 2020. The project included 14,000 feet of 60-inch to 84-inch consolidation sewer, which was installed through two pass tunneling construction, meaning that the first pass was the mining of the tunnel and the second pass was the installation of the pipe. In comparison, the large diameter tunnels are constructed through one pass tunneling. Additionally, the project included 18,800 feet of new sanitary and storm sewer which was constructed through open cut construction and the majority of that sewer is associated with the aforementioned green infrastructure component.

The green infrastructure component included three basins all located in East Cleveland, covering ten acres in total, including over four acres of stormwater detention basins, which will capture 50 million gallons of stormwater annually. These sites also included the installation of more than 30 park benches, 20 picnic tables, 230 trees, and 1,400 shrubs. There are informational signs across all three sites. The District is responsible for the operations and maintenance of these sites which are part of the District's CSO Long-Term Control Plan. They are maintained by the Watershed Programs Department.

To summarize the environmental and community benefits, the East 140<sup>th</sup> Project is directly responsible for 245 million gallons of annual CSO reduction from two outfalls in the Easterly district. One of the outfalls is a tributary to the Nine Mile Creek and another to Shaw Brook. Additionally, it includes extensive restoration in the construction area of the local streets totaling one and a quarter miles and sidewalks totaling 2,700 linear feet.

The restoration of five of the eight shaft sites were part of a specialized contract which included the planting of shrubs and trees, as well as the installation of hardscape features such as bollards to discourage illegal dumping at the sites.

#### Open Session

There were no items.

#### VII. Public Session (any subject matter)

There were no items.

VIII. Executive Session

There were no items

IX. Approval of Items from Executive Session

N/A

X. Adjournment

President Brown indicated that he wished to make a statement before the conclusion of the meeting.

President Brown noted that it has been a challenging year for everyone, but in particular, Ms. Dreyfuss-Wells. President Brown commended her ability to maintain a steady hand in managing the District during a global pandemic and maintaining continuity of business in the WWTPs and administrative offices, as this is not an easy task.

In addition to the difficulties the District is facing, its ratepayers are facing significant adversity in their ability to maintain uninterrupted services. It is a challenge to create tools that residents can avail themselves of in order to work through some of these difficulties, as it is not a one-size-fits-all challenge. The District will continue its efforts to provide opportunities to its ratepayers and continue to provide reliable uninterrupted services to them.

Moving forward into 2021, these efforts will be at the forefront of the District's endeavors with the Water Equity Task Force gaining momentum. President Brown is looking forward to partnering with other cities and jurisdictions to address some of the equity issues residents face. The hope is that these solutions could translate into assisting residents with other related difficulties such as housing and food insecurity. The District is doing everything in its power as an organization to serve the people in the community. It is important to remain community service minded as we get through the end of 2020 and carrying forward into 2021.

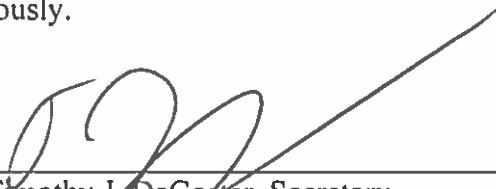
President Brown closed his comments by wishing everyone a happy and safe holiday season.

Ms. Dumas added that she feels fortunate in the decisions that the Board made to appoint Ms. Dreyfuss-Wells and Mr. Duplay in their roles at the District, adding that the Board appreciates them and the caliber of the work that they put forth. The reliability of the leadership at the District makes it easier to serve on its Board.

BOARD OF TRUSTEES

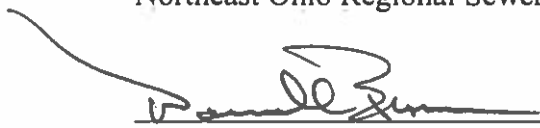
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**MOTION** – President Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved, and Mayor Alai seconded the motion to adjourn at 1:19 p.m. Without objection, the motion carried unanimously.



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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