

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
MAY 16, 2024

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

I. Roll Call

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

Absent: Samuel Alai
Marjorie Chambers

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

II. Approval of Minutes

MOTION – Mayor Bacci moved, and Ms. Dumas seconded to approve the Minutes of the May 2, 2024, Board Meeting. Without objection, the motion carried unanimously.

III. Public Session

There were no items.

IV. Chief Executive Officer's Report

Kyle Dreyfuss-Wells, Chief Executive Officer, advised that the ACE Mentor Program introduces high school students to careers in architecture, construction, and engineering in partnership with the Cleveland Metropolitan School District, Warrensville Heights High School, and Shaker Heights High School. This marks NEORSD's ninth year partnering with ACE and second year as the lead mentor for the Garrett Morgan High School team. This year, the students were tasked with reimagining Burke Lakefront Airport. With the support of NEORSD mentors, the students from Garrett Morgan won first place for their designs, which included a \$300 celebration for their school. Additionally, two of the seniors received scholarships, with Gustavo Sandate receiving \$6,000 to attend The Ohio State University, majoring in civil engineering; and Kevin Acuna receiving \$12,000 to attend Cleveland State University, also majoring in engineering. Ms. Dreyfuss-Wells acknowledged NEORSD staff that participated in ACE throughout the year-long program: Rick

Vincent, Manager of Design, Christine Umerley, Project Manager; Charles Huse, Project Manager, Steve Janosko, Project Manager; Devonte Hopson, Construction Supervisor; Zoey Johnson, Project Engineer; and Angela Jones, Government Affairs Specialist.

On May 9th, NEORSD hosted the Northeast Ohio section of the Ohio Water Environment Association for a day of tours and presentations. Staff hosted 134 guests to tour the Easterly Wastewater Treatment Plant (WWTP) and Easterly Tunnel Dewatering Pump Station. Ms. Dreyfuss-Wells provided photographs from the tours which were hosted by Bob Bonnett, Superintendent of Plants; Ben Tedrick, Assistant Superintendent of Plants; Micheal Dolson, Shift Manager; Clifton Fletcher, Unit Process Manager; Jarrod Lewis, Manager of SSMO; Josh Dress, Assistance Manager of SSMO; Josh Jeffi, Supervisor SSMO; and Dave Glisic, Supervisor SSMO.

The presentations included 155 attendees and such topics as solids handling, wasting rates, pump station improvements, and NEORSD's research work. Ms. Dreyfuss-Wells thanked Jenn Elting, Senior Manager of Community and Media Relations, and Tom Madej, Deputy Director Operation and Maintenance for spearheading the event as well as the Easterly and SSMO staff for their assistance.

NEORSD staff also attended the annual Ohio Stormwater Conference, which NEORSD has sponsored for more than a decade. Cuyahoga County Executive Chris Ronayne provided the keynote address and spoke highly of NEORSD. NEORSD had a booth and staff gave presentations with discussions regarding basin projects, stream restoration design, and the drone program.

Ms. Dreyfuss-Wells acknowledged the passing of former Executive Director, Erwin Odeal. Mr. Odeal led NEORSD for 24 years from 1983 to 2007 and set out the path for CSO control and regional stormwater management, with a focus on the performance standards of the WWTPs and other facilities. Ms. Dreyfuss-Wells offered condolences to Mr. Odeal's family on behalf of NEORSD.

President Brown added that he knew Mr. Odeal well. When he became the Commissioner of Cleveland's Division of Water Pollution Control in 1988, Mr. Odeal was leading NEORSD. President Brown and Mr. Odeal worked closely together along with Charlie Vasulka, Lester Stumpe, Frank Greenland, and Mike Bucci. Mr. Odeal was ahead of his time in terms of environmental stewardship and was an effective leader, creating a succession plan for NEORSD.

President Brown recalled early discussions with Mr. Odeal regarding the Consent Decree and the fact that a lot of improvements were already in place with an approximate 4.5 billion gallons of CSO reduction achieved under Mr. Odeal's leadership. They had discussions around the need for capital and necessary improvements in the WWTPs and how the rate structure supported the organization.

President Brown stated that Mr. Odeal was a giant in the industry and NEORSD staff's careers are better because of having known him.

V. Action Items

Authorization to Advertise

Resolution No. 126-24 Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for a public improvement contract to construct the CSO/Culvert-Outfall Inspection and Repair-1 project with estimated probable construction costs of \$10,200,000.00.

MOTION – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution No. 126-24. After the following discussion, without objection, the motion carried unanimously.

President Brown noted that the resolution request indicated that the project would involve repairs at thirty locations, presumably to enhance the useful life of the structures and eventually replace structures, as corrugated pipe can be concerning.

Devona Marshall, Director of Engineering and Construction, explained that this is the first of many repair and replacement projects planned over the next 10 to 15 years as NEORS D must maintain these assets. The project includes 30 areas of structural repairs informed by previous inspections of approximately 19,000 linear feet of CSO culverts, including corrugated metal culverts. These improvements will restore structural integrity and improve conveyance capacity of the system.

The project also involved the inspection and condition assessment of more than 20,000 linear feet of additional sewers. The identified areas of needed repair will be addressed under future projects.

Authorization to Reject Proposals

Resolution No. 127-24 Authorization to reject all proposals received for the Southerly On-Site Solar Array Installation project.

MOTION – Mayor Bacci moved, and Ms. Dumas seconded to adopt Resolution No. 127-24. After the following discussion, without objection, the motion carried unanimously.

President Brown requested an explanation as to why this project is not currently going forward. Ms. Marshall explained that, while NEORS D was preparing for the offsite solar project that is going forward, staff also went through the process of issuing a design build Request for Qualifications (RFQ) and a Request for Proposals (RFP) for onsite solar. NEORS D received five responses to the RFQ and two responses to the subsequent RFP. The two proposals were reviewed with associated costs and the current electricity market, revealing that the project is not cost effective.

Ms. Marshall invited Marie Fechik-Kirk, Manager of Sustainability and Special Projects, to provide additional information.

Ms. Fechik-Kirk explained that the goals of the project were to reduce and stabilize electricity costs and reduce greenhouse gas emissions. Staff reviewed the responses to the RFQ and RFP in partnership with the Finance Department and performed a financial analysis that included factoring in federal tax incentives and market rates for electricity and determined that the project is not economically justified.

NEORSD reduced its electricity costs by 18% in its most recent contract that will be in place from 2025 through 2028. Additionally, NEORSD has a strong demand response program wherein it reduces electricity usage during peak periods for significant savings. NEORSD's purchased electricity for the Southerly WWTC, EMSC, GJM, and a portion of the offsite facilities totals over 90 million kWh and the onsite solar would have only provided approximately 3.9 million kWh. Additionally, the recent procurement of renewable electricity from the electric supplier will result in 30% reduction in greenhouse gas emissions, versus 3% reduction that would be provided by onsite solar.

While NEORSD is very interested in supporting solar power, currently, the best way to reduce costs and greenhouse gas emissions is through the purchase of electricity.

Authorization to Enter Into Agreement

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| Resolution No. 128-24 | Authorization to enter into a professional services agreement with AECOM Technical Services, Inc. for design and construction administration/resident project representation services for the Southerly Solids Handling Improvements project in an amount not-to-exceed \$3,256,861.09. |
| Resolution No. 129-24 | Authorization to enter into a reimbursement agreement with the Village of Mayfield for reimbursement of acquisition costs for PPN 831-34-056, located at 1006 Woodlane Drive, in the Village of Mayfield, necessary for the Village's Worton Park Phase II Culvert Replacement project, in an amount not-to-exceed \$177,650.00. |

MOTION –Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution Nos. 128-24 through 129-24. Without objection, the motion carried unanimously.

Authorization to Amend Agreement

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| Resolution No. 130-24 | Authorization to amend Cooperative Project Agreement No. 19008129 with the Cleveland-Cuyahoga County Port Authority for the Irishtown Bend Stabilization and Rehabilitation project to increase the agreement amount by \$1,800,000.00 to account for additional bid costs for repair of the District's Westerly Low-Level |
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Interceptor and for project cost escalation associated with the slope stabilization portion of the project since execution of the 2019 Project Agreement, thereby bringing the total agreement amount not-to-exceed \$8,800,000.00.

MOTION –Ms. Dumas moved, and Mayor Bacci seconded to adopt Resolution No. 130-24. After the following discussion, without objection, the motion carried unanimously.

President Brown noted that the estimated project costs of approximately \$50 million are now older and likely low because of inflation and requested clarification regarding the increased costs.

Ms. Marshall explained that NEORSD committed \$7 million towards this project in 2019, which included \$2 million for the specific direct repairs to NEORSD’s sewer in the project area as well as \$5 million towards the larger hillside stabilization. The construction contract was awarded in 2023 for \$59.9 million, much higher than the 2019 estimate. Accordingly, the Port Authority has requested additional funding from stakeholders.

The construction contract itemized the cost of NEORSD’s sewer repair at \$3 million, \$1 million more than NEORSD’s original commitment; and inflation increased the \$5 million commitment by \$800,000. Accordingly, NEORSD is recommending an additional \$1.8 million in funding toward this project.

Authorization to Ratify Option Years and Amend Agreement

Resolution No. 131-24 Authorization to amend Agreement No. 20003647 with Baker Tilly Municipal Advisors, LLC for financial advisory services to ratify the exercising of option years two and three, and to amend the agreement to exercise option year four, and to increase the total agreement amount by \$115,000.00, thereby bringing the total agreement amount, including all option years, not-to-exceed \$515,000.00.

MOTION – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution No. 131-24. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 132-24 Authorization to enter into a two-year requirement contract with CRH Industrial Water, LLC dba Western Reserve Pure Water for Renewable Energy Facility Water Purification System Lease and Maintenance Services in an amount not-to-exceed \$171,402.00.

Resolution No. 133-24 Authorization to enter into a public improvement contract with Spisak’s Outdoor Creations for construction of the Woodland East Green Infrastructure Access Road Improvements project in an amount not-to-exceed \$117,700.00.

MOTION – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution Nos. 132-24 through 133-24. Without objection, the motion carried unanimously.

Authorization of Contract Modification

Resolution No. 134-24 Authorization to modify Contract No. 20005176 with The Great Lakes Construction Co. for the Westerly Tunnel Dewatering Pump Station project to extend the contract completion date by an additional 449 calendar days due to delayed delivery and installation of electrical equipment and to address differing site conditions with no change in the total contract amount.

MOTION – Mayor Bacci moved, and Ms. Dumas seconded to adopt Resolution No. 134-24. Without objection, the motion carried unanimously.

Authorization to Amend Resolution

Resolution No. 104a-24 Authorization to amend Resolution No. 104-24, adopted April 18, 2024, for the acquisition of one parcel in fee simple known as PPN 489-16-039, located at 4741 Bunker Road, in the City of North Royalton, owned by Timothy I. Finn and Diann Finn, necessary for the construction and maintenance of the Big Creek Flood Mitigation Near Oakridge Drive project, and authorization to enter into an Assignment and Assumption Agreement with the Western Reserve Land Conservancy, and to allow for the entirety of the payment to be disbursed to Ohio Real Title Agency, LLC with total consideration of \$375,000.00 plus closing costs, to include further authorization to enter into a six-month no-cost lease with the Finns.

MOTION – Mr. Sulik moved, and Ms. Dumas seconded to adopt Resolution No. 104a-24. Without objection, the motion carried unanimously.

Property Related Transaction

Resolution No. 135-24 Authorization to acquire two permanent sewer easements, three permanent subterranean easements, and four temporary easements at the property known as PPN 511-17-001, located at 3875 Washington Park Boulevard, in the City of Newburgh Heights, owned by the Board of Education of the Cleveland Municipal School District and leased by the Board of Park Commissioners of the Cleveland Metropolitan Park District, necessary for the construction and maintenance of the Southerly Tunnel and Consolidation Sewer project, with total consideration of \$200,000.00.

MOTION – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution No. 135-24. Without objection, the motion carried unanimously.

VI. Information Items

Ms. Marshall provided the monthly update for the Capital Improvement Program (CIP) for April 2024, beginning with cashflow. Of the approximately \$41.8 million paid out in the first quarter of 2024, \$11.9 million of that was paid to Business Opportunity Program (BOP) certified firms for professional services and construction services on CIP projects, which equates to 28.47% of that total cashflow. By enterprise, \$6.2 million was paid to minority-owned business enterprises, approximately \$3 million to women-owned businesses, and \$2.7 million was paid to small business enterprises.

Regarding Key Performance Indicators (KPIs), design of the CSO Outfall Inspection Repair project, which is included in today's Action Item Agenda, was completed; however, not within 60 days of planned and thus, not meeting the KPI. NEORS D will advertise the project for construction bid approximately three months behind schedule.

There are currently 20 CIP construction projects with a total contract value over \$848 million, of which nine are Consent Decree projects valued at \$726.9 million. This includes the Shoreline Storage Tunnel, which is nearing completion of mining operations. Issues were encountered with the vertical conveyor belt associated with the mining operation. Hopeful mining operations will be completed in June and the tunnel boring machine (TBM) can be moved to the Southerly Storage Tunnel site for use on that project which commenced construction at the end of April.

There are two WWTP capacity projects, including the last project required to increase the overall secondary capacity at the Southerly WWTC from 400 MGD to 480 MGD. There are also two pump station projects. Additionally, there is the Westerly Chemically Enhanced High-Rate Treatment project located just outside of the Westerly WWTC for the purposes of controlling and providing

enhanced treatment of CSO-002. There is one consolidation sewer project, the Shoreline Consolidation Sewer, which is a part of the larger Shoreline Tunnel System that is under construction. There is an electrical service project necessary to provide electricity to the future Southerly Tunnel Dewatering Pump Station and to the Southerly Tunnel TBM.

There are eleven non-Consent Decree projects with a total cost of \$121.5 million. This includes three PLC replacement projects: one at the Easterly WWTP, one at the Southerly WWTC, and one within the collections system. There are three electrical and HVAC-type projects across multiple facilities. Additionally, there are three building renovation projects at NEORSD facilities.

Ms. Marshall provided updates regarding the projects that have experienced significant electrical equipment delays, beginning with the Westerly Tunnel Dewatering Pump Station. This is a \$27.2 million construction project that includes a 215-foot deep 36 MGD submersible pump station and is part of the larger Westerly Tunnel System, Control Measure 14 of the Consent Decree, and will capture 285 million gallons of CSO annually from two outfalls to the Cuyahoga River, including one of the larger CSOs which is the Walworth Run CSO.

The Board approved a 449-day time extension for this contract as the construction is significantly behind schedule due to the electrical equipment delays and differing site conditions. The project is not behind schedule as it relates to Consent Decree milestones. The Consent Decree requires full operation of the pump station by the end of the year. The project is on schedule to achieve that milestone. The project is ready to commence the 90-day operational demonstration period, after which NEORSD will take ownership of the assets from the contractor.

The other impacted project is the Pearl Jennings Storage Tank and Pump Station Upgrades project, which is a \$21.7 million project and includes a 1.1-million-gallon CSO storage tank that is 45 feet in diameter and 110 feet deep. It also includes rehabilitation of the existing Jennings Road Pump Station and Force Main. This project is Control Measure 23 of the Consent Decree and will control 27 million gallons of CSO annually from two outfalls. The project is more than one year behind schedule for the construction contract and is also behind schedule as relates to Consent Decree milestone requirements, as it was scheduled to achieve full operation by the end of last year. As the Board is aware, NEORSD invoked force majeure provisions under the Consent Decree and maintains contact with the required agencies as the project approaches completion.

The delayed electrical equipment for this project was received earlier this year and NEORSD anticipates the 90-day operational demonstration period to commence in August of 2024, after which NEORSD will take ownership of the facilities. In November, the project will achieve substantial completion and should be in full operation by year's end.

Regarding the 20 active projects in construction, six are expected to be completed and closed out by the end of this year. They have a combined value of approximately \$60 million. Looking ahead to Q2 and Q3, four additional non-Consent Decree related projects will begin construction with a combined value of approximately \$30 million.

VII. Open Session

There were no items.

VIII. Public Session (any subject matter)

There were no items.

IX. Executive Session

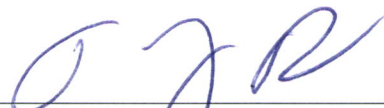
There were no items.

X. Approval of Items from Executive Session

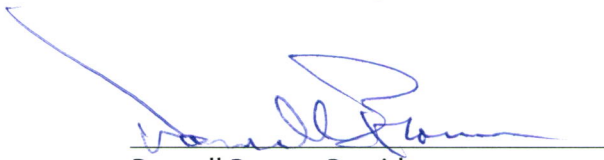
There were no items.

XI. Adjournment

MOTION – President Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved, and Ms. Dumas seconded the motion to adjourn at 1:13 p.m. Without objection, the motion carried unanimously.



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



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