

THE CORD REPORT

The Official Quarterly Newsletter of CORD



MORE STORIES INSIDE:

- Statehouse Update - 2
- Local Support for Audits | General Revenue Funds Help with Audits - 4
- Tools for Success for Finance Officials - 5
- Establishing Fair & Equitable Stormwater Fees - 6
- NEORS D Celebrates 50 Years of Service - 9
- Peeking into In-House Advocacy - 10
- CORD Attends ORWA Fall Operators Expo - 12
- Bits & Pieces from CORD - 13

CORD

1086 N. 4th St., Suite 105
Columbus, Ohio 43201

CORDOHIO.ORG

Contact Our Staff

Larry Long, Director of Membership
Development: larrylong@cordohio.org

Catina Taylor, Executive Assistant:
catina.taylor@alberslaw.com

STATEHOUSE UPDATE

Written by Andrew Huffman
Senior Director of Legislative and
Government Affairs Policy Group, Inc.



Legislative Update -

November 8th marked the end of a tumultuous election cycle in Ohio as the 2022 midterm elections finally came to a close. Following two primary elections – one in May for Ohio’s statewide and Congressional races and a second in August for Ohio’s House and Senate seats – this year’s election cycle was an unusual one, to say the least. Despite the chaos and confusion surrounding two primary elections, Ohio successfully held a General Election featuring all statewide and congressional candidates, all 99 Ohio House and odd-numbered Ohio Senate districts, and two statewide issues. Voters overwhelmingly supported two proposed constitutional amendments, Issue 1 and Issue 2. Issue 1 requires judges to consider public safety when setting monetary bail, and Issue 2 bars local governments from allowing non-citizens to vote in local elections. Each passed with approximately 77% of votes.

Governor Mike DeWine, who won a surprisingly tight three-way primary in May, was successful in his reelection bid defeating Democratic candidate Nan Whaley with 63% of the votes. During his campaign, Gov. DeWine touted the state’s investments, such as Intel and Honda, and blamed Democratic President Joe Biden for inflation and high gas prices. Whaley’s campaign, on the other hand, focused on Ohio’s abortion restrictions and criticized Gov. DeWine for being “too weak” to stand up against extremists in the Republican party. In other statewide races, all Republican incumbents – Attorney General Dave Yost, State Auditor Keith Faber, Secretary of State Frank LaRose, and Treasurer Robert Sprague – also easily bested their Democratic challengers.

Republicans also swept the three races for the Ohio Supreme Court. Republican Justice Sharon Kennedy won her race for Chief Justice against Democratic Justice Jennifer Brunner by a margin of about 56–44%. In the other two races, Justice Pat Fischer won against Tenth District Court of Appeals Judge Teri Jamison, and Justice Pat DeWine beat First District Court of Appeals Judge Marilyn Zayas, both by a margin of 57–43%. With these three wins, Republicans will maintain their 4–3 advantage on the bench. While the partisan composition of the court will not change, the ideological leaning of the court will. Current Republican Chief Justice Maureen O’Connor has served as the court’s swing vote throughout the current term, often siding with Democrats in the high-profile decisions surrounding Ohio’s redistricting process. As Ohio’s lawmakers will be required to go back to the drawing board to draft new legislative and congressional districts, maintaining GOP control of the state’s highest court with new leadership could prove pivotal for Republicans.

Of the state’s 15 congressional seats, 12 of Ohio’s 13 incumbent members were successful in their reelection campaigns. The biggest upset, however, occurred in Ohio’s 1st Congressional District where Democratic candidate Greg Landsman beat current Republican U.S. Representative Steve Chabot. Democrats were also successful in winning the 13th Congressional District, which was left vacant when U.S. Rep Tim Ryan unsuccessfully ran for the open U.S. Senate seat against Republican candidate JD Vance. Republicans were also successful in electing Max Miller for the open 7th Congressional District, defeating Democrat candidate Matthew Diemer. In total, Republicans will hold 10 and Democrats will hold five of Ohio’s congressional seats.

Republicans in the Ohio House and Senate continued to build upon their majorities and will enter next year’s legislative session with the most favorable margins they have seen in decades. In the Senate, the GOP defended against challenges to incumbents in multiple contested districts, and even flipped the 3rd District when Republican candidate Michele Reynolds bested current Democratic Senator Tina Maharath. With this loss, the Senate Democrats will have a 7–26 minority: their lowest seat count since 1951. In the Ohio House, the Republican caucus is poised to gain four seats, bringing their majority to 68–31: the largest advantage they have ever experienced since the chamber’s seat count was reduced to 99 in 1967. For the 135th General Assembly, Republicans in both chambers will continue to enjoy the necessary margins to override gubernatorial vetoes from Gov. DeWine during his final four years in office, as well as the two-thirds majority needed to take emergency action without Democratic support.

Legislative Update - *Continued*

With the election behind them, caucuses in both the House and Senate selected their leadership teams for next session. Most of the attention focused on who House Republicans would select to lead the chamber as current Speaker Bob Cupp is term-limited and ineligible to run for another term in office. House Republicans held an informal vote and selected State Rep. Derek Merrin (R-Monclova Twp.) as Speaker of the House for the 135th General Assembly. Rep. Merrin was chosen by the caucus over two other candidates: Rep. Jason Stephens (R-Kitts Hill) and Phil Plummer (R-Dayton). Rep. Merrin, who currently chairs the House Ways and Means Committee, is only eligible to serve as Speaker for two years due to term limits. Joining Rep. Merrin for the next majority leadership team are: Rep. Plummer as speaker pro tempore, Rep. Scott Wiggam (R-Wooster) as majority floor leader, Rep. Susan Manchester (R-Lakeview) as assistant majority floor leader, Rep. Brian Baldrige (R-Winchester) as majority whip and Rep. Brian Stewart (R-Ashville) as assistant majority whip. While the House Democrats have not yet announced their new leadership team, it is expected that Rep. Allison Russo (D-Upper Arlington) will be re-elected as minority leader.

In an expected move, Senate Republicans re-elected current President Matt Huffman (R-Lima) for the next legislative session. President Huffman will be joined by Sen. Kirk Schuring (R-Canton) as president pro tempore, who will be succeeding current president pro tempore Sen. Jay Hottinger (R-Newark) who is term-limited. Additionally, Sen. Rob McColley (R-Napoleon) was elected majority floor leader and Sen. Theresa Gavarone (R-Bowling Green) was elected majority whip. Democrats in the Senate elected Sen. Nickie Antonio (D-Lakewood) as minority leader. Her leadership team will include Sen. Hearcel Craig (D-Columbus), who will be assistant minority leader, and current Reps. and soon-to-be Senators Kent Smith (D-Euclid) and Paula Hicks-Hudson (D-Toledo) as minority whip and assistant minority whip, respectively.

We anticipate an extremely hectic legislative schedule for the remainder of 2022 as there are only a few weeks remaining in the 134th General Assembly. Any legislation that does not get passed by the end of the year will need to be reintroduced next session. One topic that legislative leaders have indicated a desire to address over the next few weeks is the distribution of the remaining federal funding tied to various COVID-19 relief packages. There is great demand for this funding throughout the state with numerous groups clamoring for relief. The DeWine Administration has focused directing the federal funding to one-time expenditures to avoid future “fiscal cliffs.” In 2021, CORD worked with legislative leaders to appropriate \$250 million in federal American Rescue Plan Act (ARPA) funding for water and wastewater infrastructure projects. That funding was administered by the Ohio Department of Development, which received over \$1.4 billion in applications. The program, titled Ohio BUILDS, was well received by communities struggling with crucial infrastructure needs. The Ohio EPA is also in the process of issuing funding through the federal Infrastructure Investment and Jobs Act (IIJA). Ohio is set to receive \$1.4 billion over the next five years, which will be issued through the Clean Water State Revolving Fund and Drinking Water State Revolving Fund programs. This funding will assist in financing water infrastructure projects throughout the state, including stormwater management and upgrades to water and wastewater treatment systems. As the 134th General Assembly comes to an end, CORD continues to work with Ohio’s policymakers to identify critical water and wastewater infrastructure needs and remains optimistic that a portion of the remaining federal funding will be distributed to these areas.



LOCAL GOVERNMENT AUDIT SUPPORT, GENERAL REVENUE FUNDS HELP WITH AUDIT COSTS

Written by Keith Faber
Auditor of State

The Auditor of State's Office serves as the watchdog for about 6,000 public offices in Ohio that spend government money, including cities, counties, townships, villages, schools, colleges and universities, and state agencies. We ensure public funds are managed appropriately and public resources and operations are run in an efficient, effective, and transparent way. A big part of those efforts are the annual and biennial audits overseen directly by the professionals who work in our office and independent public accountants (IPAs) contracted to complete the task.

Ohio Revised Code requires these audits at least once every two fiscal years, though many in Ohio are performed annually. Our Financial Audit Group checks the methods, accuracy, and legality of the accounts, financial reports, records, and files of all public entities.

Given the volume of engagements each year, we rely on the assistance of IPAs to perform statutorily required audits of public offices. Our regional supervisors determine which audits can be completed by Auditor of State Office staff and which ones will be contracted by IPAs, based on our capacity at any given time and the expertise required for the work. In 2021, for example, our office completed 4,105 audits, including 2,447 performed by AOS staff and 1,658 by IPAs.

All of this work carries a cost that is paid, in part, by the public offices involved. We are keenly aware of the concerns our local governments have about the price of required audits, and we make every effort to keep those costs as low as possible. Those efforts include opting for lesser-cost agreed upon procedures or basic audits rather than standard audits for smaller entities if they meet certain criteria.



For more than a decade, the audit rate we charge local governments has been \$41 per hour, thanks to assistance from the state's Local Government Audit Support Fund and General Revenue Funds, which cover a portion of the costs involved. A complete explanation of hourly billing rates and other information on how audit costs are determined is available through our recently updated Bulletin 2022-006, online at <https://ohioauditor.gov/publications/bulletins/officialbulletins.html>.

These audit charges do not cover the full cost of our work, but we strive to keep costs lower compared to the private sector. With the New Year, state lawmakers will turn their attention to the next biennial budget, covering spending plans by various state offices for fiscal years 2024 and 2025.

As we have done in the past, we will again seek the dedicated revenue streams provided by the Local Government Audit Support Fund and General Revenue Funds to help keep your audit costs as low as possible.

Happy New Year, and don't hesitate to reach out to the Auditor of State's Office if you have questions (contact information for our regional offices is available online at <https://ohioauditor.gov/contact.html>).

EQUIPPING FINANCE OFFICIALS WITH THE TOOLS FOR SUCCESS

Written by Robert Sprague
Ohio Treasurer

Local government finance officials across Ohio are trusted to manage, invest, and protect public funds. This responsibility is crucial to the success and well-being of communities across the state. New trends and best practices are regularly changing what we do, so it is important that fiscal officers are equipped with the latest training and knowledge.

The Treasurer's office administers the Center for Public Investment Management (CPIM), which provides professional development education opportunities for local government finance officials. We want these opportunities to be useful and relevant, so we frequently add or update courses based on your feedback.

In an effort to make CPIM courses more effective, there is specialized training for every level of public finance experience. Training ranges from basic to advanced levels and is offered in areas of finance, investments, cash management, debt management, audits, ethics, , and other topics. We also provide a variety of ways to obtain credit so each participant can use what works best for them.

In 2022, there were 16 webinars hosted by the Treasurer's office. Additionally, there were nearly 90 CPIM-accredited events, which included over 300 individual course sessions, hosted around the state by a variety of professional associations. We've also worked throughout the last two years to modernize this long-standing program by updating the MyCPIM portal, which offers an extensive catalog of online coursework designed to be convenient to complete. These courses cover a wide range of financial topics.

As a reminder, credit hours and exemptions under the CPIM program are due prior to the end of 2022. If these requirements are applicable to your position and you still have credit hours to complete, I encourage you to visit your MyCPIM portal.

As we move forward into the new year, we will continue to seek out your input to ensure CPIM works for you and to provide you with the tools for success. I want to thank you for your continued service to Ohio and your commitment to making smart financial management decisions in your communities. If you have any questions about CPIM and exemptions, please reach out to our office at CPIM@tos.ohio.gov or 1 (800) 228-1102.



Editor's Note: ORC 135.22 requires any "treasurer" of a political subdivision to annually complete six hours of continuing education unless an exemption is requested pursuant to statutory provisions. The exact application of this requirement to Regional Water and Sewer Districts is evidently open to different interpretations by different Districts. For questions, Districts are encouraged to consult with its legal counsel. Irrespective, the continuing education provided by the State Treasurer is informative and should help Districts to better managing it resources. For course offerings go to the CPIM web site at: [CPIM Dashboard \(ohio.gov\)](https://cpim.ohio.gov).

ENABLING ORC 6119: OHIO'S PATH TO STORMWATER MANAGEMENT



Written by Mark Delisio, PE
CT Consultants, District Engineer to the ABC Water
and Stormwater District Austintown, Boardman, and
Canfield Township Mahoning County, Ohio

Editor's Note: In the last CORD newsletter the need and formation of the ABC Water and Stormwater District was described. In this issue we focus on the establishment, calculation methodology, collection, adjustments, and credits for stormwater fees.

Formation

Most Regional Water and Sewer Districts understand the dynamics of establishing water and sewer rates and charges and have done so for years. As we will learn, the process to establish fees and charges for districts that are engaged in stormwater management vary considerably. Using the procedures specified in ORC Chapter 6119, The ABC Water & Stormwater District finalized a fee structure and began collecting stormwater fees in 2018. This new, dedicated revenue source has enabled the District to utilize local stormwater fee revenues to draw external (state, federal, and other) funding to implement long needed improvements. Prior to the formation of the District, the Townships of Austintown, Boardman, and Canfield struggled to maintain their drainage infrastructure as they watched their waterways degrade. Now, the Townships can make use of available funding to protect property values, improve water quality, reduce flooding, and raise awareness through education of the public and local school students.

Basis of Fee – How We Got Here

The ABC District suffers from decades of development that lacked adequate stormwater management regulations. Here is an overview of the major issues:

1) Problem 1 – The townships developed impervious areas without adequate stormwater detention. These types of areas include roadways, residential, industrial, and commercial areas.

Impervious surfaces generate more runoff than the woods and farmlands that preceded them. Without adequate stormwater management regulations and enforcement, the increased runoff velocities and volumes discharge to local waterways causing increased flooding and erosion. The table below suggests that even smaller more frequent storm events can lead to problematic storm flows due to urban development.

The relative increase in peak discharge is greater for frequent, small floods than infrequent, large floods.

Flood Frequency	Chance that flood's peak discharge will be exceeded in any year	Increase in flood peak discharge because of urban development
2-year	50 percent	100 to 600 percent
10-year	10 percent	20 to 300 percent
100-year	1 percent	10 to 250 percent

Source: United States Geological Survey

Enabling ORC 6119 - Continued

2)Problem 2 - Developers built properties within the floodplain. When it rains, streams fill up and at times flood their banks, especially when "Problem 1" has occurred. Streams naturally convey water and flood occasionally due to both meteorological (like temperature and rainfall) and permanent factors (like geology and hydrology)(4).Land development styles of the past have only increased the frequency with which these waterways fill due to increased runoff. Structures built in the floodplain may suffer from frequent flooding.

USGS states "The changes in land use associated with urban development affect flooding in many ways. Removing vegetation and soil, grading the land surface, and constructing drainage networks increase runoff to streams from rainfall and snowmelt. As a result, the peak discharge, volume, and frequency of floods increase in nearby streams. Changes to stream channels during urban development can limit their capacity to convey floodwaters. Roads and buildings constructed in flood-prone areas are subject to increased flood hazards, including inundation and erosion, as new development continues".(1)

3)Problem 3 - There has been a historical lack of dedicated maintenance funding to support the drainage systems in townships across Ohio. Townships often neglect buried infrastructure as other more visible issues compete for use of General Funds.

ASCE 2021 Ohio Infrastructure Report Card (GRADE D+) reports:

"To meet the needs of Ohio's 12 M residents, the state has an extensive portfolio of aging, undersized stormwater infrastructure built to protect public health and the environment. Ohio has approximately 109 stormwater utilities that charge an average of \$3.50 monthly, less than the national average of \$5.85. While 75% of the state's stormwater infrastructure funding comes from state and local sources, Ohio's state infrastructure spending ranks 41st in the nation. Ohio currently spends between \$400 to \$600 M annually on its stormwater infrastructure, but Ohio still needs at least \$600 M in annual funding to keep pace with the estimated \$1.2 B required to manage both existing infrastructure and future needs related to predicted climate change impacts."(3)

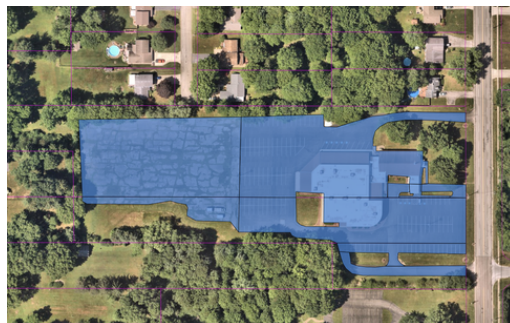
In summary, development has equated to impervious area that causes erosive velocities and increased runoff volume. The basis of fee should relate to the flooding and water quality problems that plague our communities. For the ABC District and many other stormwater districts and utilities across Ohio, **impervious area** is a just basis for collecting fees.

How Fees Are Determined

In order to charge and collect a fee, the **basis of the fee** must be determined. The easiest and most common implementation method is the **Equivalent Residential Unit (ERU) Method(2)**. This method bills each parcel based upon how much **impervious area** is on the parcel, regardless of the total area of the parcel. The residential parcel billing structure may include tiers based upon statistical analysis performed during fee development. **The ERU** value determined enables all non-residential parcel impervious areas to be digitally measured and charged an **equivalent fee**. Below is an example fee structure.

Parcel Type	Billing Unit Rate (ERUs)
Single Fam. Tier 1 ($X < 2864 \text{ ft}^2$ impervious area)	0.51
Single Fam. Tier 2 ($2864 < X < 6332 \text{ ft}^2$ imp. area)	1.00
Single Fam. Tier 3 ($X > 6332 \text{ ft}^2$ impervious area)	2.10
Two Family	0.86
Three Family	1.29
Condo	0.62
Multi-family parcel individual dwelling units	0.38
Apartments 4 to 19 Family	2.09
Apartments 20 to 39 Family	8.59
Apartments 40+ Family	8.74
Non-residential	Parcel impervious area $\text{ft}^2 / 4764 \text{ ft}^2$

Notes: 1 ERU = 4,764 SF, 1 ERU fee amount = \$3.12/month



Measurement of Impervious Area (Non-Residential)

How Fees Are Collected

Each 6119 district varies in terms quantity of available staff, administrative staff strengths, technical staff strengths, magnitude of revenues, control and use of revenues, political pressures, debts, geography, stakeholders and supporting entities, and many other factors that influence decision making. A topic worth much consideration is how to collect fees – and the best answer requires a review unique to each district.

Districts looking to start up their billing processes can consider several approaches:

<p>Local/nearby utility companies</p> <p>One advantage here is that the local water/wastewater/gas/electric utilities already send bills to residents in the District's service area. However, overlap with these utilities' service areas and the 6119 service area are seldom perfect, leaving gaps in billing coverage to be overcome.</p>	<p>Governmental partnerships</p> <p>In the example of the ABC District – the County Auditor's office became the perfect partner for billing services. The Auditor's office already has staff, already has billing mechanisms (software and processes), and was willing to take on the task in support of the local townships and their 6119's goals. Advantages here included pre-existing relationships, a high level of trust, low costs, technical staff capacity, and strong accounting/management capabilities.</p>
<p>Hire billing staff</p> <p>"Turn-key" software billing systems are available, as is software support and training, for this option. One hurdle is the lack staff or in-house capabilities to take on the challenge of hiring and training billing staff when starting up. Some districts will never be large enough to justify hiring staff to manage billing in-house.</p>	<p>3rd party billing entities</p> <p>These provide a "hands off" approach. However, the trade-off is less cost effectiveness. If funds are available, and staff capability is limited, this could be a viable option for some 6119's.</p>

Each 6119 district varies in terms quantity of available staff, administrative staff strengths, technical staff strengths, magnitude of revenues, control and use of revenues, political pressures, debts, geography, stakeholders and supporting entities, and many other factors that influence decision making. A topic worth much consideration is how to collect fees – and the best answer requires a review unique to each district.

Districts looking to start up their billing processes can consider several approaches:

Closure

Developing fees, a billing file, and billing implementation are hurdles to witnessing the benefits of 6119 districts. Having a dedicated revenue source is key. However, the ability to utilize local revenues as match funds for external grant and loan dollars can exponentially improve the amount of projects and improvements to be completed. Our Ohio stormwater infrastructure and waterways are aging. Through 6119 districts, we provide our communities a lifeline for functional improvement and social/economic/environmental benefits, which would not otherwise be possible.

Sources:

- 1)Konrad, C.P."Effects of Urban Development on Floods", United States Geological Survey, <https://pubs.usgs.gov/fs/fs07603/>. 2022.08.18
- 2)"Funding Stormwater Programs", United States Environmental Protection Agency, January 2008, https://www3.epa.gov/npdes/pubs/region3_factsheet_funding.pdf. 2022.08.18.
- 3)"Ohio Infrastructure Grades," ASCE, <https://infrastructurereportcard.org/state-item/ohio/>. 2022.08.18.
- 4)Kehew, Alan E., Geology for Engineers and Environmental Scientists. Upper Saddle River, New Jersey. Third Edition, 2006. P.583.



NEORS D CELEBRATES FIFTY YEARS OF CLEAN WATER WORK

Written by Jeannie Smith, Senior Manager
Communications and Community Relations
Northeast Ohio Regional Sewer District



This year, the Sewer District celebrated 50 years of progress in improving water quality and protecting public health. Established in 1972, the Sewer District's story started with the 13th and final fire on the Cuyahoga River in 1969, a turning point for the environmental movement in the City of Cleveland and across the county.

Cleveland Mayor Carl Stokes, the first black mayor of a major city when elected in 1967 and a long-time advocate for environmental justice, criticized the federal government after the 1969 blaze and vowed to fight for a cleaner river. A year later, things started to change.

The fire inspired the formation of the U. S. Environmental Protection Agency, the passage of the Clean Water Act, and in Ohio, the creation of the Northeast Ohio Regional Sewer District, which would take responsibility for the wastewater treatment and stormwater management needs of Greater Cleveland. This included clamping down on industries that illegally discharged waste into the lake and river, important work that continues to this day.

Over the past 50 years, the Sewer District's investment in sewer and stormwater systems has led to the resurgence of area waterways, including the Cuyahoga River. Once declared "dead" by national media, the river now boasts more than 60 different species of fish, has been found to be a home of freshwater mussels, and has been resurrected from negligence to elegance.

'The 1969 Cuyahoga River fire set the tone for the Clean Water Act, our nation's landmark environmental legislation that paved the way for cleaner water in Cleveland and across the county,' said Kyle Dreyfuss-Wells, CEO of the Sewer District. 'The Sewer District's 50th anniversary celebration reflects the robust investment by the Sewer District customers and the dedicated work of the Sewer District employees that has made a cleaner Lake Erie, Cuyahoga River and other waterbodies possible.'

This year, the story of 50 years of clean water work was told in a series of six artistic emblems, focusing on the people that made this work happen, the programs the Sewer District instituted over the years to enhance water quality and the progress that has been made through sustained investment. The monthly themes included:

- **March: Sparking Change** - Focusing on the events that shaped the future of cleaner water in Greater Cleveland, the month highlighted pre-1972 local and national events, including the 1969 Cuyahoga River fire, that shaped the Sewer District's future work and the responsibilities it would take on.
- **April: Healthy Lake and Streams** - This month's theme focused on the Sewer District's earliest days of significant investment treatment plants and expanding the collection system to best serve the region. Doing so began bringing life back to a once-dead Cuyahoga River.
- **May: Recreation** - In anticipation of beach season, the Sewer District highlighted the programs that have helped make the river and lakefront a destination—and how it plans to keep them that way.
- **June: Protecting Our Lakes and Streams** - The Sewer District's combined sewer overflow control work didn't start with Project Clean Lake. But the consent decree was a manifestation of years of work and forethought. This month celebrated the 10-year mark of Project Clean Lake at its 10-year mark and honored the Easterly Wastewater Treatment Plant on this its 100th year of service.
- **July: Resilience** - Managing a 400+ mile stream network comes down to understanding our environment's past, present, and future. The Sewer District's regional stormwater management program was years in the making, and this month focused on the stream networks.
- **August: Community** - As a regional utility, relationships are key. In August, the Sewer District celebrated the ways it is advancing the clean-water mission with partners and customers together.

The 50th anniversary concluded with two events:

- The Sewer District's Clean Water Fest, a family-friendly event focusing on all things clean water. Returning in-person for the first time since 2019, Clean Water Fest highlighted 5 decades of clean water work in Northeast Ohio and included almost 50 hands-on and educational exhibits showcasing the work of the Sewer District and partnering organizations.
- On October 18th, the U.S Environmental Protection Agency Administrator Michael S. Regan, Assistant Administrator for Water Radhika Fox, City of Cleveland Mayor Justin Bibb, Sewer District CEO Kyle Dreyfuss-Wells and several other stakeholders celebrated the 50th anniversary of the Clean Water Act at Merwin's Wharf in Cleveland. Following the celebration, the Sewer District invited guests, including members from the U.S. EPA, to tour the Shoreline Storage Tunnel construction site and the Easterly Wastewater Treatment Plant.

Here's to another 50 years of clean water in Greater Cleveland!

PEEKING INTO IN-HOUSE ADVOCACY: NORTHEAST OHIO REGIONAL SEWER DISTRICT

Written by Danielle Giannantonio
Legislative Affairs Manager
Northeast Ohio Regional Sewer District



I bet you read my job title Legislative Affairs Manager and thought, “what does that mean and how is it different from what GPG does?” Well, I’ll tell you but before we pull back the curtain and put our in-house advocacy work in the spotlight, let me introduce myself and my journey.

My name is Danielle Giannantonio and I’m originally from the Cleveland suburb of Strongsville. I graduated from Walsh Jesuit High School in Cuyahoga Falls near Akron and then attended University of Dayton where I received my Bachelor of Science in Business Administration. That’s when I started expressing a genuine interest in politics after joining a group on campus and attending political rallies with friends on weekends. This led me to meeting with a statehouse advocate who urged me to become a page at the statehouse to gage my seriousness of politics as a legitimate career path.

I took the advice. I became a page at the Ohio House of Representatives for the 2011 and 2012 summers, and in 2013, I switched gears as an intern at the Ohio Treasurer’s office in their accounting department. That’s where I quickly realized that I missed all the rush and excitement of the Statehouse and wanted to return to Capitol Square to the House who hired me back, this time as a Legislative Aide. I was placed in the Office of then State Representative Rick Perales and it was there that I worked on various military and aerospace initiatives as Representative Perales had Wright Patterson Air Force Base in his legislative District.

Afterwards I transitioned to Governor Kasich’s Administration, becoming the Legislative Liaison for Ohio EPA, where I became deeply involved in learning their divisions: air, waste, remediation, funding, and—you guessed it— water. I was thrown into the fire of advocacy with time-sensitive issues in both the surface and drinking water realms regarding Harmful Algae Blooms (HAB), lead, asset management, and more. Almost three years later, I interviewed to be the Legislative Affairs Manager at the Sewer District.

That’s where I am today, serving in our Legal department as Legislative Affairs Manager.

Here, Legislative Affairs covers both state and federal regulatory and legislative policy. I track, identify, review, and respond to all proposed changes to state and federal legislative and executive rules and statute. I stay up to date on proposed changes, I alert internal officials and subject matter experts with short summaries, I work with our experts to gage impacts and importance of the change, and if a response is warranted, I coordinate our communication method and execute our official response. In addition to this, I also coordinate our project submissions for any state and federal funding opportunities.

I also serve as our in-house liaison for all state and federal officials to contact with any issues, planning and coordinating various tours and visits with state and federal officials, attending events and representing the District locally at events with state and federal officials. I work closely with our external advocates on all things executive and legislative at the state level. External advocates are crucial piece to the success of my work as they assist with my “blind spots” that are inevitable being home-based in Cleveland.

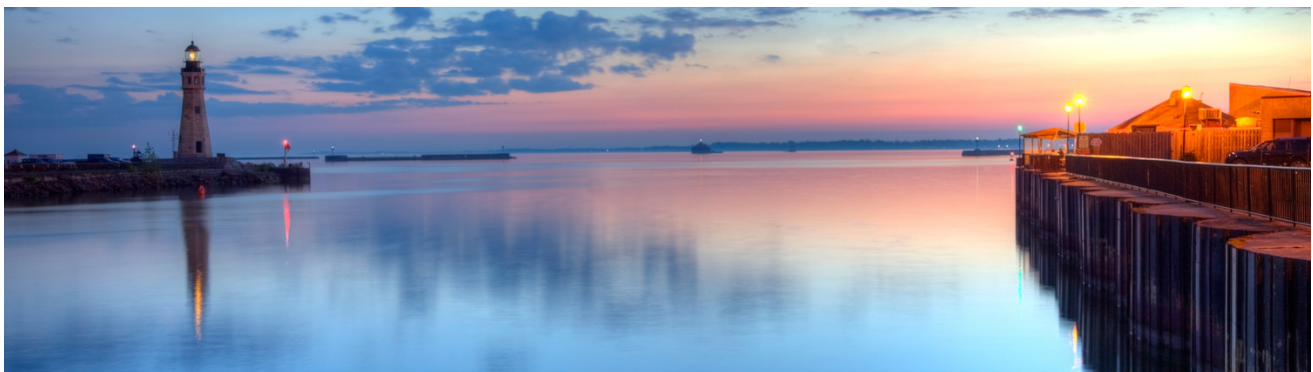
As you see, in-house advocacy is not independent work because advocacy is best served and achieved as a team. This team includes internal subject matter experts, chief level decision-makers, multiple department crossovers as well as external advocates who provide real-time updates on state initiatives, develop and manage relationships with key officials, and serve as our on the ground voice reiterating our position in crucial conversations, meetings, and hearings.

Legislative affairs are very important to the District. However, there are challenges and major differences between state and federal work. One challenge is not being in immediate physical proximity to either the statehouse or Congress. Luckily, we do have state advocates in Columbus so that issue is quickly mitigated with their presence, but it is a different story with Congress as we do not have federal advocates. There are various reasons for that.

One of which is we have found it difficult to “move the needle” in Congress as an individual entity. Any entity, in theory, can retain a legacy advocate with all the right relationships in Congress, but that person or firm is likely unaffordable for a local government. We have found that the most affordable and effective option for smaller-scale entities with a federal interest is to be actively engaged in large trade associations and industry groups. Being actively engaged as an individual entity within a trade association is critically important because their advocates can use information and real examples you provided them in their influencing efforts.

In my role, it’s also my responsibility to interact and coordinate messaging with our state and federal trade associations. Parallel with both trade associations’ and external advocates’ work, I also act as Point of Contact and manage relationships with all offices in our state and federal delegations. This work matters because although we may not be able to have personal relationships with all members of the statehouse, congress, and state/federal agencies, we do find value in educating the offices that represent our service area. Their constituents are our ratepayers, so we share a common interest in legislative and executive policies that impact them.

All in all, I love my job. I love politics honestly for the same reason I love reality TV. I enjoy the drama, watching it unfold in front of my own eyes. I know some may be surprised by that candidness, but it’s the drama of politics that keeps me interested, intrigued, and on my toes because it’s constantly moving and evolving. Equally, I love the Sewer District because I really value the work we do, the people I work with, and water—especially Lake Erie. Having lived in both the central and western basin regions of Lake Erie, nothing makes me prouder than playing even a small part of keeping our Great Lake clean.



CORD ATTENDS OHIO RURAL WATER ASSOCIATION FALL OPERATORS EXPO

During October CORD had the opportunity to participate and exhibit at the ORWA Fall Operators Expo, one of its largest events of the year. CORD joined a multitude of other exhibitors for the two-day event at the Roberts Center in Wilmington. The Expo kicks off the day before with a Sportsman's Outing, preceded by an EPA approved continuing education session, at the Cherrybend Pheasant Farm with a scored Clay Shoot.

The next two days were packed with high quality training for water and wastewater operators who can earn EPA approved CE credits. The training included eight 45-minute training modules daily with trainers recruited to provide important information to help operators in providing quality service to customers. The Roberts Center provided an excellent setting for exhibits showcasing the latest in products, services, and technologies, including adequate space for all sizes of trucks, machinery, and equipment.

In addition to the ability to network with other operators, one of the highlights of the Expo was the presentation of the Operator of the Year award. The 2022 Operator of the Year for Water was Paul Mills, with the Village of Philo in Muskingum County. The 2022 Operator of the Year for Wastewater was Tom Brickley, with the Village of Woodville, in Wood County.

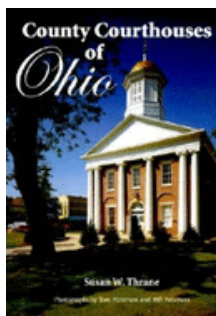
CORD also conducted a raffle and gave away a memorable collector book—County Courthouses of Ohio, by Susan Thrane with photos by Bill and Tom Patterson. The winner of the drawing was Quintin W. Baker, Manager in Training with the Adams County Regional Water District.

Thanks to ORWA Executive Director Joe Pheil and his staff for a well-organized and run event with loads of learning and networking opportunities for water and wastewater operators.



CORD Exhibit Area at the ORWA Fall Operators Expo in Wilmington

CORD Table-Top Display Used at the ORWA Fall Operators Expo in Wilmington



BITS AND PIECES FROM CORD

Written by Larry Long
Director of Membership and Development

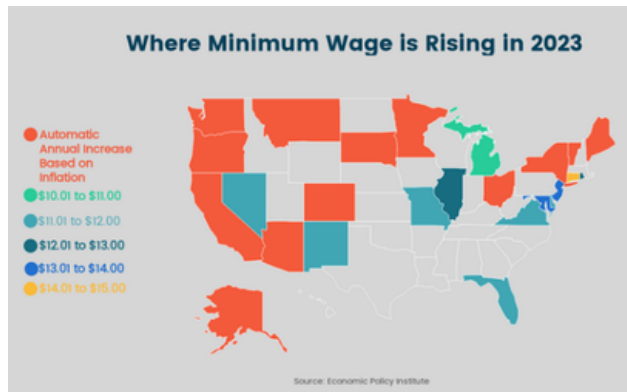
OHIO'S MINIMUM WAGE TO INCREASE IN 2023

Ohio's minimum wage will increase in January pursuant to the provisions of a 2006 Constitutional Amendment. The Constitution provides for the minimum wage to be tied to the Consumer Price Index for urban wage earners and clerical workers (CPI-W) for the 12-month period prior to September. From September 2021 through August 2022, CPI-W increase 8.7 percent, according to the Ohio Department of Commerce (DOC). This is the same percentage increase in beneficiaries of social security. Following are the new rates for the new year:

- From \$9.30 to \$10.10 per hour for most employees
- From \$4.65 to \$5.05 per hour for tipped employees.



**Larry Long, CORD Director
of Membership Development**



However, in the case of employees at smaller companies with annual gross receipts of less than \$371,000 per year after Jan 1, 2023, and for 14- and 15-year-olds, the state minimum wage is \$7.25 per hour. For these employees, the state wage is tied to the federal minimum wage of \$7.25 per hour.

More change may be coming. Shortly after the election the Ohio Ballot Board unanimously approved a proposed constitutional amendment that would set Ohio's minimum wage at \$15 by 2028.

Districts can access the 2023 Minimum Wage poster at the following link: <https://com.ohio.gov/divisions-and-programs/industrial-compliance/wage-and-hour/guides-and-resources/minimum-wage-posters>

PREVAILING WAGE THRESHOLDS REMAIN UNCHANGED FOR 2023

Unlike Ohio's minimum wage law, the thresholds for the application of prevailing wages to public improvement projects change only every two years for some types of projects. The last changes took effect on January 1, 2022 and will not change again until January 1, 2024. Thus, as a reminder, the following table summarizes the thresholds for 2023:

"New" construction <u>threshold</u> for Building Construction .	\$250,000
"Reconstruction, enlargement, alteration, repair, remodeling, renovation, or painting" <u>threshold</u> level for Building Construction .	\$75,000
"New" construction that involves, roads, streets, alleys, sewers, ditches, and other works connected to road or bridge construction <u>threshold</u> .	\$96,091
"Reconstruction, enlargement, alteration, repair, remodeling, renovation, or painting" that involves roads, streets, alleys, sewers, ditches, and other works connected to road or bridge construction <u>threshold</u> .	\$28,789

The first two thresholds are established by statute in ORC 4115.03. The last two thresholds are adjusted every two years (even numbered years) pursuant to ORC 4115.034 based on the Building Cost for Skilled Labor Index, but not to exceed 3%.



WORKERS' COMPENSATION RATES FOR PUBLIC EMPLOYERS FOR 2023

State and local government employers will see their first year without a rate cut since the Kasich administration. This amounts to the first overall hike in over a decade when rising administrative costs are factored in, based on Friday's vote by the Ohio Bureau of Workers' Compensation (BWC) Board of Directors. Actuaries provided three scenarios for public employer base-rate changes for 2-23: a "conservative" +8.4%, an "optimistic" -13.4%, and a baseline of -2.4%. The wide variance was due to "uncertainty during COVID-19". The workers comp board in the end chose an average zero percent base-rate change across all insured classes which includes 3,800 public employers, including regional water and sewer districts.

A BETTER WAY TO FUND LOCAL GOVERNMENTS?

The Ohio Chamber of Commerce recently called on the General Assembly to conduct a study of state and local government taxes and push for standardization. According to former Congressman and now Ohio Chamber President and CEO Steve Stivers, one of the chief culprits is businesses struggling "to navigate a complex and burdensome municipal (income) tax code" in nearly 850 cities and villages—second only nationwide to Pennsylvania with close to 3,000.

The last comprehensive study of state and local tax burden was completed almost two decades ago in 2003. According to the Stivers, "We're not advocating to cut the opportunity or income of our local government partners. We're saying there might be a different way or a better way to fund local governments," he said. "A lot of states, about 46 states, kick in more money to local governments than Ohio does."

Stivers understands local officials may be skeptical in the wake of recent cuts to Ohio's Local Government Fund (LGF) during the Great Recession, but still thinks conversations about the total state and local tax burden for Ohio businesses would be productive. Interestingly, there is no mention of the significant permanent tax cuts to business when the tangible personal property taxes were eliminated, resulting in major revenue losses to local government and schools, and was one of the major recommendations in the last major study of state and local taxes. As U. S. Senator Russell B. Long, the famous Louisianian who chaired the Senate Finance Committee said: "Don't tax you. Don't tax me. Tax that fellow behind the tree."

On other fronts, the Ohio Chamber is calling for legislation that would create a 100% refundable state income tax payment for up to three years for college graduates who take a full-time job in Ohio. The purpose is to attract and retain workers in Ohio. Another initiative is to discourage local governments from filing civil lawsuits.



THE FLINT WATER CRISIS—COURT ACTIONS CONTINUE

The legal haggling continues related to the Flint Water Crisis. You will recall that Flint's drinking water was contaminated after the source of the city's water was shifted from Lake Huron to the Flint River in 2014.

The water wasn't adequately treated, causing lead from pipes to leach into the city's drinking water.

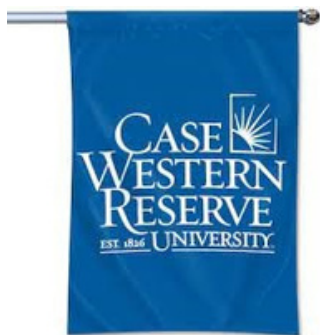
That exposed about 99,000 residents to lead, which has been linked to various health issues and has a greater impact on children than adults. The water source switch has also been linked to a Legionnaires' disease outbreak that killed 12 people.

In late October, a Circuit Court Judge in Michigan ruled that the criminal indictments against seven officials, including former state health department employees, were invalid. The Judge's ruling came after the Michigan Supreme Court that took issue with the process under which the grand jury issued criminal indictments, not with the substance of the case.

In a statement announcing its intention to appeal, the prosecution team said the "residents of Flint have waited years for their day in court." Charges against former Gov. Rick Snyder (R) were not among those that were dropped by the Judge's order. The dropped charges do not impact the civil Flint water case, which resulted in more than a \$600 million settlement for city residents.

RANKINGS OF OHIO COLLEGES AND UNIVERSITIES

U.S. News & World Report Monday released its 2022-2023 Best Colleges rankings in September. A total of 1,500 colleges and universities were ranked based on 17 factors of academic quality, with the most weight placed on things such as graduation and retention rates and average graduate indebtedness. Average class size, undergraduate academic reputation and how much is invested in instruction and student services are some of the other factors used. The college in Ohio that is rated Ohio's best is Case Western Reserve University, followed by Ohio State and Miami University. The others in Ohio's top 10 include: University of Dayton (4), University of Cincinnati (5), Xavier University (6), Ohio University (7), Kent State University (8), Bowling Green (9), and Toledo (10).



FITCH UPGRADES STATE BOND DEFAULT RATING

Ohio's issuer default rating (IDR) with Fitch Ratings was upgraded to "AAA," up from "AA+," in September reflecting the strong financial position of the State of Ohio. Credit ratings are forward-looking opinions on the relative ability of an entity or obligation to meet financial commitments. Issuer default ratings (IDRs) are assigned to corporations, financial institutions such as banks, leasing companies and insurers, and state and local governments.

The State rating has not been this high since Fitch's began rating Ohio's credit in the 1990's and is the highest rating for Ohio's IDR among the top three credit agencies (Fitch, Standard & Poor's, and Moody's) since 1979.

The higher rating equates to more favorable borrowing terms for state government and its agencies.

OHIO SUPREME COURT INVALIDATES PROVISION OF OHIO'S COLLECTIVE BARGAINING LAW

In September, the Ohio Supreme Court unanimously overturned a key provision of the four-decade-old Ohio Public Employee Collective Bargaining Law. The dispute dates from 2017 when a union representing employees of a Northeast Ohio County Board of Developmental Disabilities (DD) reached impasse with the Board and filed a notice of intent to strike.



Shortly thereafter, union members, on seven occasions, picketed outside the residences of six DD board members, and the private workplace of one board member. All the picketing took place on public streets and sidewalks, and there were no reports of obstructive or disruptive behavior.

The DD Board filed seven charges of unfair labor practices with the State Employment Relations Board (SERB), claiming the union was violating ORC 4115.11(B)(7), which makes it an unfair labor practice if an "employee organization, its agents, or representatives, or public employees" induce or encourage any individual "in connection with a labor dispute" to picket a residence or private employment place of any public official or representative of a public employer.

SERB found that the union violated the law and issued a cease-and-desist order to prevent further picketing at DD board members' homes or workplaces. The union filed an appeal in Common Pleas Court arguing that the statute was a "content-based restriction" on speech that violated the union's First Amendment rights. The Common Pleas Court upheld the ruling of SERB, however, upon appeal, both the Court of Appeals and Supreme Court sided with the union declaring this provision of law an unconstitutional infringement upon free speech rights of the union and its members guaranteed by the U. S. Constitution.

STATE REVENUES UP IN OCTOBER

State Revenues continue to outperform estimates made in crafting the state budget. The Ohio Office of Budget and Management (OBM) reported that October state revenues came in \$111.6 million or 5.1% overestimate. Following is the amount overestimates the various taxes brought into state coffers:

- Sales Tax-- +\$48.2 million overestimate (Non-Auto Sales Tax = +\$40.2 million, + 4.3% and Auto Sales Tax = + 8.0 million, +5.2%.)
- Personal Income Tax-- +\$43.7 million, +6.1% overestimate.
- Commercial Activity Tax-- +10.4 million, +11.1% overestimate.

RECENT APPOINTMENTS OF INTEREST BY GOVERNOR DEWINE

Danielle Giannantonio, with the Northeast Ohio Regional Sewer District in Cleveland, was reappointed to the **Ohio Lake Erie Commission** for a term beginning October 7, 2022 and ending September 1, 2025.

Delaware County Engineer **Chris Bauserman** was appointed to the **State Board of Registration for Professional Engineers and Surveyors** for a term beginning September 25, 2022 and ending September 24, 2027.

Tracy Freeman of Pickerington, with the Ohio Chapter of the Nature Conservancy, was reappointed to the **Environmental Education Council** for a term beginning November 4, 2022 and ending October 1, 2024.

Frances Seiberling Buchholzer of Akron and **Jennifer Bowman** of Athens were reappointed to the **Ohio Soil and Water Conservation Commission** for terms beginning November 4, 2022 and ending June 30, 2026. Seiberling-Buchholzer was Ohio's first female Director of the Department of Natural Resources under Governor George Voinovich. Bowman is Director of Environmental Programs at Ohio University's Voinovich School.

Happy
Holidays

