

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
OCTOBER 2, 2025

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

I. Roll Call

Present: Darnell Brown
Timothy DeGeeter
Ronald Sulik
Jack Bacci
Samuel Alai
Marjorie Chambers

Absent: Sharon Dumas

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

II. Approval of Minutes

MOTION – Mayor Bacci moved, and Ms. Chambers seconded, to approve the Minutes of the September 18, 2025 Board Meeting. Without objection, the motion carried unanimously.

I. Public Session

John Miceli addressed the Board regarding Resolution No. 234-25 and provided the following statement:

“Good afternoon. My name is John Miceli and I’m the President of the Miceli Dairy Products in Cleveland, Ohio. For more than 75 years Miceli has operated an Italian cheese manufacturing plant at 2721 East 90th Street in Cleveland that discharges wastewater to the Sewer District Easterly Wastewater Treatment Plant.

I want to thank the Board and the Sewer District for this opportunity to speak briefly today. Some of you may remember that I have spoken to the Board a couple of times before in the past, usually with a complaint, but not this time. Today I am in front of the Board again to ask for your approval of the Sewer District’s staff recommendation for Miceli’s to receive an agreed upon rebate of excess sewer surcharge fees that Miceli has paid over the past year. This rebate is the result of various process changes and improvements Miceli completed at its Cleveland plant during the late

summer and early fall of last year. These changes and improvements were successful in significantly reducing our wastewater pollutant loading that was discharged to the Sewer District.

The changes were primarily driven out of economic necessity as our sewer bills, including the excess sewage surcharges, were frankly becoming so large as to be unsustainable, but we decided to spend a lot of money to fix the problem, we hope. However, the benefits of the changes are not limited to just our savings and sewer fees. Miceli now captures more valuable byproduct from production increasing its use in animal feed. As a result, I believe Miceli's is the leader in sustainable business practices in cheese manufacturing since our wastewater consultant initially demonstrated the pollutant loading reductions in September of 2024.

The staff at the Sewer District has worked diligently with Miceli's to both confirm and fine-tune the reduction in our wastewater pollutant loading. On behalf of Miceli's, I would like the Board to recognize and appreciate the dedicated effort of Scott Broski and the Sewer District staff on this matter. Our new updated sewer rate that incorporates the reduced pollutant loading will allow Miceli's to continue planning for future growth in Cleveland. We intend to use the rebate to not only reinvest in our company, but in our community as well.

In closing, Miceli's welcomes the opportunity to once again plan for more business growth in Cleveland; however, we also recognize that the Sewer District will soon have to begin determining the next five-year sewer rate schedule that will begin in 2027. Miceli's encourages the Board to challenge the Sewer District staff to think out of the box on the future structure of sewer fees for commercial and industrial users. We continue to believe that the Sewer District's current sewer user fee structure results in an unfair higher sewer usage cost for smaller flow food manufacturers such as Miceli's compared to various other commercial and industrial users. Furthermore, it allows smaller increases in fees for the vast majority of commercial sewer users at the expense of food manufacturers.

As previously reported in NEO, the availability of large quantities of clean fresh water is a huge competitive advantage for attracting and growing food manufacturers to Northeast Ohio. Future Sewer District fees can act as an implement or a further incentive for food manufacturing to grow and locate in our area. Miceli's also hopes to grow and prosper for another 75 years in Cleveland. We believe in this, and we believe it's possible that close cooperation with the District and we believe you are not only just a utility company, but you've become a partner for us. Thank you for your time and I'm glad to answer any questions the Board would like."

On behalf of the Board and NEORSD staff, President Brown thanked Mr. Miceli for his comments and perseverance in this process which has been an ongoing partnership with NEORSD through the last several years to achieve a positive outcome.

President Brown also thanked Mr. Miceli for his comments about the upcoming rate study process and noted that Mr. Miceli made similar comments in the prior rate study period, which led to the consultant performing due diligence to ensure fair and equitable rate setting.

Mr. Miceli agreed with President Brown that this result is a win-win situation that will benefit the City of Cleveland as well, as Miceli Dairy intends to continue its expansion and continue to be good citizens.

II. Chief Executive Officer's Report

Kyle Dreyfuss-Wells, Chief Executive Officer, advised the Board of Trustees that NEORSD's annual Clean Water Fest was held on September 20th, hosting more than 2,000 attendees, and staffed by employees from across the District. Ms. Dreyfuss-Wells invited Jean Smith, Director of Administration and External Affairs, to provide additional information.

Ms. Smith advised that this was the 18th annual Clean Water Fest at the Environmental and Maintenance Services Center (EMSC) in Cuyahoga Heights. The festival showcases NEORSD's work and why the work is important. The festival has evolved from a few tables in the garage with a handful of guests to a celebration of all things clean water. The more than 2,000 guests represented 64 Ohio communities, and 3 different states, with half being first time attendees, for an opportunity to engage with 52 internal and external exhibitors.

The festival featured tours of the Southerly Wastewater Treatment Center and laboratory, as well as the student technical enrichment program orientation. There was a roundtable discussion about women in STEM that included NEORSD staff Kristen Hopsen, Supervisor of Lab EHS & Logistics, Nicole Dearth, Chemist, Danielle Murphy, Lab Analyst, and Morgan Lawrence, Chemistry Supervisor. There were also several elected officials in attendance, including State Representative Sean Brennan, Mayor Michael Brennan, Cuyahoga County Councilman Mark Casselberry, Mayor Kirsten Holzheimer Gail, State Representative Bill Roemer, and Cuyahoga County Executive Chris Ronayne. NEORSD unveiled its Lake Erie League comic book, featuring characters that highlight the work being done throughout the District.

The community provided positive feedback, particularly that the staff are knowledgeable, helpful, and organized, which is the culture that has been cultivated at NEORSD, when it comes to its customers.

Ms. Smith thanked the Board, Mayor Bacci and the Village of Cuyahoga Heights, Ms. Dreyfuss-Wells, Constance Haqq, Chief Administrative Officer, John Gonzalez, Senior Manager of Communications, Jenn Elting, Sr. Manager Community & Media Relations, Jessica Shutty, Public Information Specialist, Danny Neelon, Strategic Partnership Lead, as well as senior staff and all of the participating employees for their contributions to the event. Next year's Clean Water Fest will be September 19, 2026.

Ms. Dreyfuss-Wells thanked Ms. Smith and added that it was a wonderful event and a very busy week for staff.

Ms. Dreyfuss-Wells advised that in addition to Clean Water Fest, from September 23rd through September 25th, NEORSD hosted staff from US EPA and Ohio EPA, for their first Consent Decree Inspection. The inspection began with an overview of NEORSD, and its Consent Decree and the following day was dedicated to site visits, including a trip into the Southerly Storage Tunnel, where they gained valuable insight into the complexity and depth of work performed by NEORSD, and what is required to achieve control of combined sewer overflow. Ms. Dreyfuss-Wells thanked Robin Halperin, Deputy Director of Watershed Programs, and her team, as well as staff from Engineering & Construction, Legal, and Sewer System Maintenance and Operation Departments, as well as staff from each wastewater treatment plant for their efforts in the inspections.

Cleveland was the host city to the 2025 Conference of the Association of State Dam Safety Officials from September 20th through 25th. The conference involved dam safety experts from across the country and included a tour of Lakeview Cemetery Dam, led by NEORSD Stormwater Inspection and Maintenance Group. Staff from across NEORSD had an opportunity to speak with national experts about dam maintenance and hydraulic modeling, and case studies from around the country regarding dam failures and removals.

Ms. Dreyfuss-Wells recognized the superintendents from each of the wastewater treatment plants for their National Association of Clean Water Agencies (NACWA) Peak Performance Awards and invited Frank Foley, Director of Operation & Maintenance, to provide additional comments.

Mr. Foley explained that each year, NACWA recognizes member agencies with the Peak Performance Award. Silver awards are given to wastewater treatment plants (WWTPs) that have between one and five permit excursions. The Southerly WWTC received the Silver award for 2024, with Terry Robinson serving as Plant Manager. Gold awards are presented to facilities with no permit excursions for an entire calendar year. Westerly WWTC was awarded the Gold award for 2024, led by Superintendent Travis Pitts. Platinum awards are presented to facilities with 100% permit compliance for five years in a row. The Easterly WWTP was awarded a Platinum award for 2024, its second consecutive Platinum award, under the supervision of Superintendent Cathy Glisic. Mr. Foley thanked the Operation & Maintenance Department, senior staff, and the Board of Trustees for their support.

President Brown offered kudos and invited the Superintendents to receive their awards and take photos with the Board of Trustees.

President Brown thanked Ms. Dreyfuss-Wells for the report and added that his first time going into a deep storage tunnel was the Kinsman Road Relief Sewer in the 1990s, which he found very interesting, as is the Lakeview Cemetery Dam, which was featured in an Avengers movie.

President Brown added that attending Clean Water Fest was very enjoyable, as there were children having fun, attendees reacting to free ice cream, and having an opportunity to speak with more staff than he would normally able.

Action Items

Authorization to Advertise

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| Resolution No. 222-25 | Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for a 36-month requirement contract for heating, ventilation, air conditioning and refrigeration maintenance and repair service at all District facilities, with an estimated probable cost of \$600,000.00. |
| Resolution No. 223-25 | Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for a 12-month requirement contract for the delivery of up to 975,000 dry pounds of ferric chloride solution to all District wastewater treatment plants, with an estimated probable cost of \$625,000.00. |
| Resolution No. 224-25 | Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for Stream Sediment and Debris Removal Services west of the Cuyahoga River for a two year period, with an estimated probable cost of \$1,500,000.00. |
| Resolution No. 225-25 | Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for the Baldwin Creek Cedar Estates Detention Basin Modifications project, with an estimated probable construction cost of \$592,000.00. |

MOTION – M. Sulik moved, and Mayor Bacci seconded to adopt Resolution Nos. 222-25 through 225-25. After the following discussion, without objection, the motion carried unanimously.

President Brown noted that Resolution No. 224-25 relates to an annual contract for stream sediment removal for streams on the East and West sides of the Cuyahoga River and asked for an explanation as to what benefits these contracts provide. Matt Scharver, Director of Watershed Programs, explained that the contract works well for maintaining the 489 miles of regional stormwater system. NEORS has been using this mechanism for approximately 12 years; it has proven to be flexible and scalable whether NEORS needs to remove 5 cubic yards of debris from a debris rack or remove 500 cubic yards of debris and sediment from a culvert.

Authorization to Reject and Rebid

Resolution No. 226-25 Authorization to reject all bids and re-bid, in accordance with Ohio Revised Code Section 6119.10, for the Westerly Primary Settling Tank Fiberglass Repairs project, with an estimated probable construction cost of \$270,000.00.

MOTION – Ms. Chambers moved, and Mayor Bacci seconded to adopt Resolution No. 226-25. Without objection, the motion carried unanimously.

Authorization to Enter Into Agreement

Resolution No. 227-25 Authorization to enter into a cooperative agreement with U.S. Geological Survey for the operation and maintenance of 11 rain gages and 32 stream gages in the District's Regional Stormwater Service Area and other ancillary technical support services, for a 12-month period, in an amount not-to-exceed \$406,270.00.

MOTION – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution No. 227-25. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 228-25 Authorization to enter into two-year requirement contracts for boiler maintenance and repair services with sole source original equipment manufacturer authorized representatives Boiler Specialists, Inc. and Energy Control, Inc. in a total amount not-to-exceed \$435,724.00 allocated to both contracts according to operational needs.

Resolution No. 229-25 Authorization to enter into a 24-month requirement contract with S.A. Comunale Co., Inc. for boiler maintenance and repair services at all District facilities in an amount not-to-exceed \$519,000.00.

MOTION – Mr. Sulik moved, and Ms. Chambers seconded to adopt Resolution Nos. 228-25 through 229-25. Without objection, the motion carried unanimously.

Declare an Emergency, Ratify and Approve Expenditures

Resolution No. 230-25 Declare a real and present emergency requiring immediate action resulting from the August 11, 2025 fire at the Southerly Wastewater Treatment Center that damaged Generator #5 rendering it unusable (the “Emergency”); and

 Ratify expenditures incurred in response to the Emergency in the amount of \$728,000.00 for the testing, purchase, and transportation of a temporary replacement generator, without formal bidding or advertising, and

 Authorize the CEO to purchase any other generator(s), equipment, transportation, installation and construction work, or any other goods and services necessary to abate the Emergency, all without formal bidding or advertising or solicitation of proposals for professional services, and

 Authorize a total amount, including the ratified expenditure herein, not-to-exceed \$2,000,000.00 for all expenditures related to such Emergency, which amount is the applicable deductible under the insurance claim for this loss.

MOTION – Ms. Chambers moved, and Mr. Sulik seconded to adopt Resolution No 230-25. After the following discussion, without objection, the motion carried unanimously.

President Brown noted that there was a fire involving a piece of equipment that was purchased from a sole source provider and that there is a \$2 million insurance deductible for the event. The proposed replacement is meant to be a temporary fix for the next few years while a strategy is developed for the permanent replacement. President Brown requested additional information regarding the immediate and long-term strategy.

Devona Marshall, Chief Operating Officer, thanked the Board for their attention to this matter and added that these generators not only serve in ensuring that the Southerly Wastewater Plant is able to maintain operations during power outages and meet its permit requirements but also support participation in the demand response and peak prediction programs that provide energy savings.

Mr. Foley explained that on August 11th at approximately 5:30 p.m., Generator No. 5 caught fire during a peak prediction event in which all generators were running. Cuyahoga Heights Fire Department responded with assistance from other departments to extinguish the fire. There were no injuries, but the generator is inoperable. Mr. Foley provided photos of the damage and explained that NEORS is asking the Board to declare an emergency and ratify the expenditures for the purchase of the temporary replacement used generator, as well as authorize the CEO to make any

additional necessary purchases and to authorize a total expenditure not to exceed \$2 million, which is the equivalent of the insurance deductible amount.

These generators were installed in 2005 or 2006 and are used as backup in case of primary power loss and to support cost savings via the Demand Response and Peak Prediction programs. The Demand Response program is not currently in use at the Southerly WWTC because of the construction of the Southerly Storage Tunnel; however, savings estimates for those programs from 2021 through 2025 are approximately \$2.6 million, and an additional \$1.5 million in 2026.

NEORSD performs preventative maintenance on all generators monthly, quarterly, semi-annually, and annually, and recently increased the amount of preventative maintenance performed under the maintenance contract. The generators currently have approximately 500 hours of runtime on each of them, so they are not expected to require the first overhaul for another 15 years, though there is a replacement cost built into the Capital Improvement Plan (CIP) budget for 2042; however, that will be adjusted as needed in time.

With six generators at the Southerly WWTC, the plant treats dry weather flow without issue. There is an impact during wet weather. With five generators, equipment needs to come offline during dry weather, and there could potentially be an impact on the process within several hours of running in that fashion.

On August 26th, NEORSD received an email from AIG outlining generator options, deductible recovery, and next steps. Generator options included repair and reuse of the existing generator, which is unclear whether that is possible; to rent a temporary generator with an estimated cost of \$2.1 million; or to purchase a used generator that AIG identified and recommended. On September 11th, AIG authorized District staff to obtain more detailed information regarding the recommended used generator, and on September 23rd, staff confirmed that the generator could be integrated into the system. Ms. Dreyfuss-Wells requested emergency authorization from the Board of September 26th.

There are challenges associated with the District's generators. The generators are unique, because they are medium voltage at 13.2 kW. Additionally, there is a long lead time to procure new generators, estimated by AIG at approximately 42 months from order to delivery.

Next steps include the following: Load bank testing of the generator by the supplier; Installation and site preparation design to be performed by E&C through their General Engineering Services contract; Transportation of the generator from Colorado to the District, Procurement of construction services to install the generator, which will be done through the emergency procurement award; Adding design and construction costs of the new generator to the CIP; and Determining if the new generator can be used in energy savings programs.

AIG is still completing its investigation of the fire, but it is currently believed that the fire was internal to the generator's engine.

President Brown asked about the age of the used generator. Mr. Foley explained that it is a similar age to the generator that it is replacing with slightly more runtime at approximately 690 versus 500 hours.

Authorization to Pay Dues

Resolution No. 231-25 Authorization to renew the District's Water Research Foundation subscription for 2025-2026 and to pay dues in the amount of \$115,145.00.

MOTION – Mr. Sulik moved, and Mayor Bacci seconded to adopt Resolution No. 231-25. Without objection, the motion carried unanimously.

Authorization to Amend Agreement

Resolution No. 232-25 Authorization to amend General Engineering Services (GES-10) professional services Agreement No. 22004755 with Brown and Caldwell to increase the agreement amount by \$250,000.00 to provide additional professional services, including design and construction support related to the generator fire at the Southerly Wastewater Treatment Center, thereby bringing the total agreement amount not-to-exceed \$3,250,000.00.

MOTION – Ms. Chambers moved, and Mayor Bacci seconded to adopt Resolution No. 232-25. Without objection, the motion carried unanimously.

Hearing Officer Findings and Recommendations

Resolution No. 233-25 Adopting the findings and recommendations of the Hearing Officer with regard to the stormwater account of John Berry ending in 6617, Sewer District Hearing No. 25-010, that no further adjustments are necessary.

MOTION – Mayor Alai moved, and Ms. Chambers seconded to adopt Resolution No. 233-25. Without objection, the motion carried unanimously.

Authorization to Grant Credit

Resolution No. 234-25 Authorizing the District to issue a credit adjustment in the total amount of \$1,269,825.48 against sewer charges on the account ending in 0001 to Miceli Dairy Products, 2721 East 90th Street, Cleveland.

MOTION – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution No. 234-25. Without objection, the motion carried unanimously.

III. Information Items

President Brown advised the Board that the Certification of Delinquent Sewer and Stormwater Accounts to Cuyahoga and Summit Counties for 2025 Second Half Certification, and the Certification of Direct Bill Delinquent Sewer and Stormwater Accounts to Cuyahoga, Lorain, and Summit Counties Fiscal Officers for 2025 Second Half Certification were included in the meeting materials and asked Ken Duplay, Chief Financial Officer, if there was anything of note.

Mr. Duplay explained that as it relates to the certifications, the only change of note is that Cuyahoga County moved to a once per year certification process. The total amount that NEORSD certified was \$10.3 million, down from last year's total of \$11.6 million. NEORSD certified just under 9,000 accounts and followed its standard procedures as to repeated attempts to assist customers in establishing payment plans to avoid certification.

President Brown thanked Mr. Duplay and noted the importance of NEORSD exhausting all remedies at its disposal to assist customers with coming into compliance.

Mr. Scharver provided the Regional Stormwater Management Program (RSMP) Quarterly Update for the Third Quarter of 2025, beginning with Key Performance Indicators (KPIs). Mr. Scharver provided a graphic demonstrating the KPIs tracking positively, including exceeding the goal of delivering 70% of planned cashflow with an actual of 81% and the Business Opportunity Program (BOP) goal of 17.51% exceeded with an actual of 21.79%. This year is on pace with last year in terms of positive cash delivery.

Mr. Scharver moved on to project highlights beginning with the Dell Haven Regional Basin in the City of Parma. Mr. Scharver provided photographs of the project site and explained that this is phase 1 of 4, at a cost of \$4.1 million, with a 21.5-acre-foot basin which will achieve 100-year level of service, improving the service at the intersection of West Pleasant Valley and York Road. This area has experienced significant flooding for decades, which will be partially addressed by the basin. NEORSD has been able to voluntarily acquire more than 20 residential properties in this area to remove them from the risk of flooding.

The Veteran's Basin is also in the City of Parma and located in the West Creek Watershed. Construction is underway for this \$3.5 million project that will capture the 100-year storm event level of service with a 45-acre-foot basin that provides relief to residences and streets in Ward 4 of Parma. The project is nearing completion and vegetation has been planted.

Mr. Scharver then provided photographs of the Riverview Road Flood Reduction Project in the City of Brecksville, which is a \$5 million road raising project with two culverted stream crossings that are being upsized to provide 100-year level of service in this area, which is direct tributary to the Cuyahoga River.

As for the Doan Brook Restoration at Horseshoe Park project, NEORSD is working towards obtaining its permits, easements, and contracts, and is hopeful that the construction contracts can go out to bidding by the end of the year.

NEORSD is continuing its collaboration with the cities of Cleveland Heights, Shaker Heights, and Cleveland in planning for the Lower Lake. There have been productive meetings recently with the Nature Center at Shaker Lakes, the Cleveland Museum of Art, and Case Western Reserve University.

IV. Open Session

Mr. Sulik provided the Audit Committee report, as the Board representative on the Committee, in addition to independent Committee members Mr. Bill Chorba and Mr. Ken Koncilja. The purpose of the Audit Committee is to maintain the integrity of NEORSD's financial statements, compliance with the legal and regulatory requirements, and to review the independent auditors' qualifications and independence, and to review the performance of the independent auditors and NEORSD's internal audit function.

The independent auditors, Ciuni and Panichi, conducted NEORSD's audit in accordance with auditing standards accepted in the United States and standards applicable to the financial audit contained in government auditing standards. The independent auditors believe that the audit evidence obtained is sufficient and appropriate to provide a basis for their opinion that the financial statements of NEORSD present fairly in all material respects. The respective financial position of the business type activities of NEORSD as of December 31, 2024, and the respective changes of financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The auditors reported there were no material internal control weaknesses and deficiencies at the financial statement level. There were no material weaknesses and deficiencies in internal control for major federal programs. The auditor stated that they encountered no difficulties in dealing with management and performing and completing their audit.

The Committee reviewed the internal audit plans and internal audit reports. It has been determined that the management and the Internal Audit staff have worked closely in resolving issues highlighted in internal audit reports. Management and Internal Audit are continuing to work on security and priority rating measures to maintain the integrity of all departments internally and externally.

Mayor Bacci made a motion to accept the Audit Committee report, seconded by Ms. Chambers.

V. Public Session (any subject matter)

There were no items.

VI. Executive Session

Mayor Bacci, pursuant to Ohio Revised Code Section 121.22 (G)(1), moved, and Mayor DeGeeter seconded, to enter into executive session to consider the appointment, employment or compensation of a public employee. By roll call vote, the Board voted unanimously to enter into executive session at 1:26 p.m.

The Board returned to open session at 1:50 p.m.

VII. Approval of Items from Executive Session

There were no items.

VIII. Adjournment

MOTION – President Brown stated business having been concluded, he would entertain a motion to adjourn. Mayor Bacci moved, and Ms. Chambers seconded the motion to adjourn at 1:50 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