

MINUTES
NORTHEAST OHIO REGIONAL SEWER DISTRICT
BOARD OF TRUSTEES MEETING
JUNE 18, 2026

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
Samuel Alai
Jack Bacci

Absent: Sharon Dumas
Marjorie Chambers

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

II. Approval of Minutes

MOTION – Mayor Bacci moved, and Mr. Sulik seconded, to approve the Minutes of the June 4, 2026 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 the Board of Trustees that NEORSD completed its meetings with newly elected mayors and township trustees and on June 11th, Ms. Dreyfuss-Wells, Matt Scharver, Director of Watershed Programs, and Nicole Velez, Watershed Team Leader, met with Columbia Township Trustee Joe Borczuch, Jr. to review the structure and function of NEORSD and its work under the Regional Stormwater Management Program in Columbia Township. It was a productive conversation and NEORSD is looking forward to working with Trustee Borczuch going forward.

On June 17th, NEORSD hosted a tour to recognize the completion of the Dell Haven Basin in Parma near the intersection of York and West Pleasant Roads. The project was completed in November of 2025 and manages 6.9 million gallons of stormwater to remediate flooding and basement

backups in this portion of the Baldwin Creek Watershed. This is the first phase of a multiphase project. Including property acquisition, design, and construction, the project cost was just under \$6 million and \$2 million of which was paid for with federal funding. Attendees included Congressman Miller, US EPA Regional Administrator Vogel, Ohio EPA Administrator Emerman, Mayor DeGeeter, Mr. Sulik, and Parma Councilmembers Davis and Shuman. Ms. Dreyfuss-Wells thanked Kim Colich, Stormwater Program Manager, for providing the tour and the team for organizing the event, and thanked Mayor DeGeeter and Mr. Sulik for attending the event.

On May 21st, NEORSD was awarded a Gold designation in the League of American Bicycle Friendly Business program. NEORSD is one of only 203 businesses in the country to hold this designation and the only sewer district in the country to hold the designation. NEORSD has been certified Gold since 2021 in recognition of its efforts to encourage bicycling employees and customers in the community. NEORSD's efforts include covered bike parking, a bike repair station, as well as events such as Bike to Work Day. Ms. Dreyfuss-Wells thanked Sophie Hall, Special Projects Intern, for drafting the application and organizing the 2026 Bike to Work Day.

Ms. Dreyfuss-Wells acknowledged employees who received awards from the northeast section of the Ohio Water Environment Association on May 28th. Scott Broski, Superintendent of Environmental Services, received the Keith Riley Outstanding Supporter Award, given to an individual who has shown outstanding service to the Ohio Water Environment Association for many years. Mr. Broski was noted for his reputation as the go-to person for complex issues related to industrial pretreatment and his roles as the Chair of the Industrial Waste and Pretreatment Committee and on the Northeast Ohio Environmental Crimes Taskforce.

OWEA also acknowledged Doug Lopata, Program Manager of Planning and Design, with the Collection Systems Award, which recognizes someone who has demonstrated excellence and professionalism in their daily work related to the collections systems. OWEA noted that Mr. Lopata was enthusiastically endorsed by his colleagues who work in a collection system, and Mr. Lopata has a lead role in ensuring compliance with NEORSD's Consent Decree, bringing his extensive knowledge of hydraulics and engineering to cost effectively optimize CSO control.

V. Action Items

Authorization to Advertise

Resolution No. 95-26

Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for a three-year requirement contract for waste heat boiler repair services at the District's Renewable Energy Facility with an estimated probable cost of \$792,000.00.

Resolution No. 96-26 Authorization to publish notice calling for bids, in accordance with Ohio Revised Code Section 6119.10, for one or more three-year requirement contracts for overhead door maintenance, repair, and condition assessments with an estimated probable cost of \$490,000.00.

MOTION – Mayor Alai moved, and Mr. Sulik seconded to adopt Resolution Nos. 95-26 through 96-26. Without objection, the motion carried unanimously.

Authorization to Purchase

Resolution No. 97-26 Authorization to renew annual software license, maintenance, and support services from sole source vendor NEXGEN Asset Management for the District's NEXGEN AM software, for a term beginning July 1, 2026 through June 30, 2027, in an amount not-to-exceed \$193,700.00.

MOTION – Mr. Sulik moved, and Mayor Bacci seconded to adopt Resolution No. 97-26. Without objection, the motion carried unanimously.

Authorization to Enter Into Contract

Resolution No. 98-26 Authorization to enter into contracts with AIG, Axis, Great American Insurance Group, The Travelers Companies, Inc., Berkley Customer Insurance Services, LLC, Arch Insurance Group, Inc., and Lloyd's Syndicate for their respective portions of the District's operational insurance program for the period July 1, 2026 through June 30, 2027, as presented, in a total amount for all contracts combined not-to-exceed \$1,724,208.00, which amount includes a \$100,000.00 general allowance available for all contracts.

MOTION – Mayor Bacci moved, and Mr. Sulik seconded to adopt Resolution No. 98-26. After the following discussion, without objection, the motion carried unanimously.

President Brown requested additional information regarding the renewal of operational insurance coverages. Ken Duplay, Chief Financial Officer, reminded the Board that NEORSD is in the second year of a five-year agreement with Willis Towers Watson (WTW), its insurance broker, to solicit the insurance market and interact directly with the carriers on NEORSD's behalf.

Mr. Duplay walked the Board through the insurance activities that take place throughout the year and explained that this was a good renewal overall, as most of the coverage costs are better than

market. Mr. Duplay provided slides demonstrative the areas of casualty insurance coverages and the lines of additional coverages for commercial umbrella and excess liability and explained that the most significant cost increases are market related, including auto insurance.

Property insurance is the largest component of NEORSD's insurance package and WTW worked directly with AIG for renewal terms and was able to maintain a flat rate. NEORSD still has an open claim pending with AIG for the generator fire at the Southerly WWTC last year. AIG has questions about some reported values for specific assets, as the replacement value for generators is higher than the reported values. Accordingly, AIG is proposing a temporary 90% co-insurance clause, which is a cap on the amount of reimbursement should there be a specific new claim this year. This would apply against payment for a covered loss should they find that the reported value of a specific asset is too far below the replacement value; however, there is a plan to remediate the issue. NEORSD will conduct a machinery and equipment appraisal at the Southerly WWTC and if any significant difference between the reported and appraisal values are identified, slight adjustments may be made to the premium. After this appraisal, the 90% co-insurance clause will be removed from the policy.

President Brown asked if AIG is protecting itself from exposure based on the generator fire. Mr. Duplay explained that an agreement was reached to increase the cost because the replacement value of generators has proven to be more expensive than was previously known before the fire. Following the appraisal process, there will likely be a difference in reported values versus the appraisal values for some assets. Once the values have been agreed upon, there will be an escalation factor applied going forward to keep in line with replacement costs.

President Brown added that he assumes that like other machinery, the generators have an expected useful life and their replacement is budgeted. Mr. Duplay explained that they are beyond their useful accounting life and have been fully depreciated in the financial record keeping. The generators are maintained and the insurance carrier would like to see them valued similarly. Ms. Dreyfuss-Wells added that the market for generators has changed significantly over the past two to three years and they are in much higher demand. Mr. Duplay added that AIG is maintaining the same rate as last year and if NEORSD were to change insurance carriers, the premium would nearly double.

Cyber coverage costs have decreased for the second year in a row due to work by Mohan Kurup, Director of Information Technology, and his team to improve cyber security. Excess workers' compensation coverage did not have any changes as it is in the second year of a two-year agreement. This year, coverage includes workers' compensation in Wisconsin. Mr. Duplay invited Robin Rupe, Director of Engineering and Construction, to discuss this portion of the coverage.

Ms. Rupe explained that at the end of 2024, Bob Auber, the Construction Manager for NEORSD's tunnels group retired and NEORSD immediately decided to rehire him, as he has 31 years of

knowledge and experience in large diameter interceptor sewers, consolidation sewers, and large tunneling projects.

Last year, Mr. Auber relocated to Wisconsin, at which point, NEORSD discussed with him in what capacity it could still utilize his expertise. His position was reclassified to Senior Technical Tunneling Advisor, and he provides support to NEORSD 20 hours per week to maintain guidance as the tunneling projects are ongoing into 2031. Mr. Duplay added that that workers' compensation coverage is around \$1,000.

The premium for property increased due to increased property values, which are now totaling nearly \$2 billion. In total, there is an increase in premiums of 6.67% from last year's program, which is in line with market expectations and includes increased coverages for cyber and crime.

In closing, Mr. Duplay provided a slide demonstrating the various coverages.

Hearing Officer Findings and Recommendations

Resolution No. 99-26	Adopting the findings and recommendations of the Hearing Officer regarding the sewer account of Mersaidies Foster ending in 2751, Sewer District Hearing No. 26-002, that no further action be taken on the account.
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MOTION –Mr. Sulik moved, and Mayor Bacci seconded to adopt Resolution No. 99-26. Without objection, the motion carried unanimously.

Adopting Budget

Resolution No. 100-26	Adopting the operating and capital budgets for fiscal year 2027, as presented.
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MOTION –Mr. Sulik moved, and Mayor Alai seconded to adopt Resolution No. 100-26. Without objection, the motion carried unanimously.

Revoking and Adopting Policy

Resolution No. 101-26	Revoking the District's Policy for Public Purpose Expenditures, and adopting a revised Policy, as presented.
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MOTION – Mayor Alai moved, and Mayor Bacci seconded to adopt Resolution No. 101-26. After the following discussion, without objection, the motion carried unanimously.

President Brown requested an explanation regarding this Resolution. Eric Luckage, Chief Legal Officer, explained that governmental entities such as NEORSD are required to follow the public purpose doctrine, which requires that an expenditure is directly related to the purpose for which the governmental agency was created and is in furtherance of the duties and responsibilities of the staff and the governing body.

NEORSD first adopted a Public Purpose Policy in 2015, in an effort to summarize its programs and provide guidance that the programs are within the public purpose doctrine and provide a public purpose.

While NEORSD's core functions have not changed, NEORSD has seen an evolution of its programs, going from 7 employee programs to 15 in the revised Policy. The most notable changes were to sunset the DEI program and eliminate the MBE and WBE aspects of the Business Opportunity Program in response to federal guidelines.

Due to the number of program changes and the overall desire to make the document easier to read, it was determined that it would be best to prepare a new clean document that is more straightforward rather than approve a red lined text.

VI. Information Items

President Brown advised that the Report of Settlement and Release Agreement for the period December 2025 through May 2026 was contained in the meeting materials and any questions or concerns should be directed to the CLO/General Counsel.

Ms. Rupe provided the May 2026 Status Report Update for the Capital Improvement Program, beginning with cashflow. The planned cashflow for the seven largest projects is slightly behind planned, primarily due to delayed spending for the Southerly Tunnel Consolidation Sewer project; however, the contractor is now working some Saturdays and that spending is increasing.

The Kingsbury Run Consolidation Sewer project encountered some differing site conditions and redesign activities that delayed spending and construction on the project. Those hurdles have been overcome, and the project is going well. The remaining projects that were trailing on cashflow are now making great strides and improvements are progressing.

As for key performance indicators (KPIs), the first phase of the District-Wide Space Improvements project, which includes improvements for the men's locker room at the Easterly WWTP, did not meet the KPIs for engineer's estimate coming within 10% of the lowest three bids, nor were the contracts awarded within 60 days of planned.

Ms. Rupe invited Buck Depew, Construction Supervisor III, to provide an update regarding the Shoreline Storage Tunnel (SST).

Mr. Depew reminded the Board that the SST is the fifth of seven deep tunnels and is under Control Measure 7 of the Consent Decree. The tunnel was designed by Delve Underground, and the construction contract was awarded to McNally Kiewit JV, with the notice to proceed issued in July 2021. The SST is a 2.7 miles-long single pass segmentally lined storage tunnel. Mining operation began in October 2022 and continued through May of 2024, as it is comprised of three shafts, and several consolidation sewers, diversion structures, and regulator modifications. The mining started at Forest Hill, which is the same site as the Dugway West, Dugway East, and Dugway Storage Tunnel (DST).

Mr. Depew provided a detailed review of how the SST interacts with the DST to direct flow into the DST when there is available capacity. There are a series of gates and baffle blocks to regulate the turbulence of the flow.

Shaft 2 is located at Gordon Park, which is owned by Cleveland Metroparks. Shaft 2 is a 50-foot diameter, 132-foot-deep shaft and internally, there is a dividing wall, a vortex drop of 113 feet from the surface, a diversion gate and screening structure, and a near surface structure. Mr. Depew provided a detailed review of how this site interacts with CSO-204. This site alone will reduce annual outfall events from almost 75 million gallons of annual CSO to just 8.5 million gallons of annual CSO discharging to Lake Erie.

There are remaining activities before the SST is fully online. Within the next two weeks, flow will be initiated into the tunnel itself, regulators will be modified, testing and simulations will be performed, maintenance training for SSMO staff to maintain the sites will be completed, and the Certificate of Beneficial Use to allow NEORSD to take ownership of the SST will be issued. Following completion of those activities, there will be bulkheads removed from the Shoreline Consolidation Sewer, and site restoration work which will be ongoing for several months after the SST is online.

President Brown added that this is an impressive project both in terms of the construction feat as well as the ability to monitor and operate it through technology.

VII. Open Session

President Brown reminded the Board that it is the time of year for nomination and election of officers to the Board of Trustees at the July 2 meeting, and asked Mr. Sulik, Mayor Bacci, and Ms. Dumas to serve as the Committee for Nominations.

VIII. Public Session (any subject matter)

James Nemastil provided the following statement to the Board:

"Mr. President and members of the Board. My name is James L. Nemastil. I'm a geographer by training in statistical and spatial analysis. I'm also a member of the Cleveland Heights Landmark Commission. I'm here because the public, especially in the Heights, has lost confidence in the District's transparency and veracity.

"My central point today is that the District decided it would not rebuild Lower Lake Dam because its model concluded that the dam is marginal flow flood control value, but that conclusion depends entirely on how the model was built and what was not studied. One of the primary reasons to question their conclusion is that there was the admission -- omission of alternative probable maximum precipitation. Now that's a pretty long word, but probable maximum precipitation is the worst-case scenario of rainfall. It's 25 inches of rain over 24 hours. Now I looked that up and I think you have to go down to Louisiana to find that much rain. The highest I found in Cuyahoga County or Northeast Ohio was nine inches occurring in Medina County.

"Also, you're dealing with probable maximum flooding is the worst-case flood produced by rainfall. You take probable maximum precipitation with probable maximum flooding and that gives you your dam size -- your dam size is determined by that. So, you have bigger PMP, bigger PMF and that gives you a bigger dam. If you choose a PMP that is too large for a watershed, as the District did, you automatically produce PMF, probable maximum flooding, so large that no reasonable dam appears feasible.

"On the other hand, if you choose a model with less rain, the possibility of flooding is reduced, and you can build a less expensive dam that has greater flood prevention capabilities. Now, staff will probably tell you, "Well, ODNR requires that we use 25 inches of rain in 24 hours." This is a regulatory default, but it is interesting to note that ODNR allows reduced PMP scenarios when supported by watershed specific analysis due to the alternative risk assessment pathway. For example, in Pickaway, Ohio the city submitted a reduced PMP 12 inches of rain over 24 hours and ODNR approved it enabling for a smaller, less expensive dam to be built.

"If you only model the most expensive theoretical rainfall, most detention basins look useless. This is a modeling choice, not an engineering inevitability. It raises the question why didn't they use a smaller PMP scenario? Why didn't they pursue that? I have not found any reason why they did not do this.

"This is not an accusation of bad faith. It is an explanation of how institutional practice and scope can limit the range of analysis. Another thing, the watershed scale problem, the model they used does not match the basin. This is a part I want to emphasize clearly. The watershed above Lower

Lake is approximately 4.2 square miles, but the District used PMP values derived from HMR based methods. NOAA, the National Oceanic Atmospheric Administration, explicitly states that such models become unreliable for watersheds smaller than 10 square miles. Basically, they used an unreliable data to make their decision. In other words, the model was not scaled appropriate for the actual drainage area. If the model is wrong and the watershed scale is wrong, every conclusion about flood control value is wrong.

“So, the District belongs to the ratepayers. I believe it’s the Board’s fiduciary duty to require deeper scrutiny. Before accepting any recommendations on Lower Lake, insist that the District model 12-inch PMP alternatives. Model smaller dam configurations. Model using existing infrastructure only. They used something downstream when they did their modeling. Model 10, 25 and 100-year storms. Release model files and metadata for independent review and initiate a formal alternative risk assessment with the Ohio Department of Natural Resources.

“There is a practical technical sound path to retain a historic Lower Lake and preserve its flood control and community values if the District conducts the alternative modeling and engages the Ohio Department of Natural Resources through the ARA pathway and acts with the transparency ratepayers deserve. You’ve been told a story, but not the full story. It is the Board’s duty to insist on a full story before making decisions that affect the safety and the trust of this community. Thank you very much.”

President Brown thanked Mr. Nemastil for his comments and added that the data and analytics speak for themselves in terms of the science. He expressed his confidence that the analysis and review performed based on the direction of and collaboration with ODNR was in line with what ODNR requires by statute. President Brown noted that these comments and concerns need to be addressed and invited Ms. Dreyfuss-Wells and Mr. Scharver to do so as they see fit.

Ms. Dreyfuss-Wells explained that it is important to understand that there are two analyses related to the Lower Lake. The first, as President Brown noted, is required by the Ohio Department of Natural Resources, which sets the standards for the design of Class I high hazard dams, the designation that ODNR assigned to the Lower Lake dam. ODNR sets the probable maximum flood level that the dam is required to meet. This analysis is completely dictated by ODNR.

A community that wishes to maintain an impoundment on a stream can go through a reclassification process with ODNR wherein the community would need to design another dam and ask ODNR to consider lowering the classification of that dam. That is a process that would need to be completed by the community; this is not a process in which NEORSD would take part. NEORSD has discussed this option with the Cities of Cleveland Heights and Shaker Heights both through the Horseshoe Lake and Lower Lake conversations.

Ms. Dreyfuss-Wells again emphasized that the first piece of the analysis is the probable maximum flood amount and the classification of the dam as a Class I high hazard dam, which are decided and

dictated by ODNR alone. The dam that NEORSD designed for Lower Lake, the Class I high hazard dam, was designed to meet those regulatory requirements.

The other piece of the analysis is whether an impoundment on Doan Brook at Lower Lake provides notable stormwater management functions that would bring it into something that NEORSD could fund under the Regional Stormwater Management Program. This is a separate analysis that NEORSD performed through its own modeling, which NEORSD has provided publicly, to the Board, and on its website. These are two different pieces of modeling that NEORSD has performed in order to comply with all necessary regulatory requirements.

Mr. Scharver agreed with Ms. Dreyfuss-Wells and added that there are oftentimes two types of flooding discussed: the catastrophic failure of a Class I high hazard dam, as Ms. Dreyfuss-Wells discussed; and the holistic watershed flooding downstream of the lakes, which the Regional Stormwater Management Program is addressing and is using a self-imposed standard of ascertaining a 100-year level of service to improve flooding conditions.

President Brown added that all of these discussions and responses have been had publicly and NEORSD has been very transparent about its concerns and approach to the project and project delivery. Ms. Dreyfuss-Wells agreed and added that NEORSD has made the information public in many different ways, including on NEORSD's website and a series of videos on YouTube to explain the individual modeling components.

Mayor Bacci added that it should be reiterated that the municipalities are ultimately responsible for this. President Brown agreed and added that NEORSD is neither the owner nor operator of the dams. They are the responsibility of the Cities of Shaker Heights and Cleveland Heights. To the extent that there can be a stormwater benefit, NEORSD has offered to participate. If the communities decide that they would like to rebuild the dam or request a reclassification of the dam, NEORSD will not take part in those activities. Additionally, any actions taken by NEORSD will be based on the science. If that information changes over time, NEORSD will rely upon the most current information in its decision making. To do less than that would not be the best use of ratepayer money or demonstrate good leadership.

President Brown encouraged continued public dialogue and reminded attendees that there is a wealth of information available on NEORSD's website.

A meeting guest, Gail Bromley, had not signed up to speak prior to commencement of the meeting, citing congestion at the sign in sheet, asked for permission to ask one question, which was granted by President Brown. Ms. Bromley asked what the construction budget is for the Doan Brook Restoration at Horseshoe Park project. Ms. Dreyfuss-Wells explained that the budget is \$24 million from NEORSD and \$7 million from the Cities of Cleveland Heights and Shaker Heights for park amenities. This information is also available on NEORSD's website.

IX. Executive Session

Mayor Bacci, pursuant to Ohio Revised Code Section 121.22 (G)(4), moved, and Mayor DeGeeter seconded, to enter into executive session to prepare for negotiations and bargaining sessions with District employees concerning their compensation and other terms and conditions of employment. By roll call vote, the Board voted unanimously to enter into executive session at 1:35 p.m.

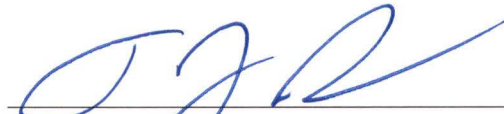
The Board returned to open session at 1:55 p.m.

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 Mr. Sulik seconded the motion to adjourn at 1:56 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