



**Christopher S. Habel**

Member

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July 27, 2012

Stephen Canter, P.E.  
Environmental Engineering Service  
3575 Columbia Road  
Lebanon, OH 45036

**PRIVILEGED AND CONFIDENTIAL**

Re: Water Service Agreement

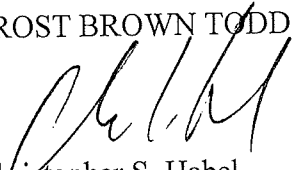
Dear Steve:

Enclosed is a copy of the final executed Water Service Agreement from Hamilton County among the Whitewater Township Regional Sewer District, the Board of County Commissioners of Hamilton County, the City of Cincinnati and the Village of Cleves.

If you have any questions regarding the enclosed Agreement, just let me know.

Sincerely,

FROST BROWN TODD LLC



Christopher S. Habel

Enclosure

cc: Eric E. Landen, Esq. (w/encl.)

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HAMILTON COUNTY PROSECUTING ATTORNEY

CIVIL DIVISION  
230 EAST NINTH STREET, SUITE 4000  
CINCINNATI, OH 45202-2151  
PHONE: 513 946-3040  
FAX: 513 946-3018  
WWW.HCPROS.ORG  
WRITER'S DIRECT DIAL NUMBER  
946-3249

July 9, 2012

VIA REGULAR MAIL

Chris Habel  
Frost, Brown Todd, LLC  
PNC Center  
201 E. Fifth Street  
Suite 2200  
Cincinnati, Ohio 45202

Re: Water Service Agreement

Dear Chris:

Enclosed for your records is a fully executed original of the Water Service Agreement among the Whitewater Township Regional Sewer District, the Board of County Commissioners of Hamilton County, the City of Cincinnati and the Village of Cleves.

Sincerely

W. Peter Heffle  
Assistant Prosecuting Attorney

WPH:h  
Enclosure

**WATER SERVICE AGREEMENT AMONG THE WHITEWATER  
TOWNSHIP REGIONAL SEWER DISTRICT, THE CITY OF CINCINNATI,  
OHIO, THE BOARD OF COMMISSIONERS OF HAMILTON COUNTY,  
OHIO, AND THE BOARD OF PUBLIC AFFAIRS, VILLAGE OF CLEVES,  
HAMILTON COUNTY, OHIO**

This Agreement is made by between and among the Whitewater Township Regional Sewer District ("WTRSD"), the City of Cincinnati ("City"), the Board of Commissioners of Hamilton County, Ohio ("Hamilton County"), and the Board of Public Affairs, Village of Cleves, Hamilton County, Ohio ("Cleves"), hereinafter sometimes collectively referred to as the "Parties," and is effective as of May 15, 2012.

WHEREAS, the Hamilton County Court of Common Pleas issued a Judgment Entry dated April 14, 2000 ("Judgment Entry") forming the WTRSD to provide for the collection, treatment, and disposal of waste water from within and without the district in accordance with Ohio Revised Code ("R.C.") § 6119.01(B); and

WHEREAS, the City of Cincinnati, Ohio owns and operates the Greater Cincinnati Water Works ("GCWW"), which is a public utility providing water services to residential and commercial customers including the City of Cincinnati, most of Hamilton County, and parts of other counties in Ohio and Kentucky; and

WHEREAS, Hamilton County, through its Department of Planning and Development, and pursuant to the relevant provisions of the Ohio Revised Code and the County Water Area Contracts (as amended), provides for the purchase of surplus water and water services from the City of Cincinnati and Cleves; for water line installations; and maintains fire hydrants in certain unincorporated and incorporated areas of Hamilton County; and

WHEREAS, the Board of Public Affairs of the Village of Cleves is a public utility that provides water services to residential and commercial customers in the Village of Cleves and surrounding areas in western Hamilton County including the Village of North Bend and portions of Whitewater and Miami Townships; and

WHEREAS, the Board of Trustees of Whitewater Township has determined it to be in the best interest of the residents and businesses of Whitewater Township to expand the role of the WTRSD to include water services in addition to wastewater services and has therefore held the appropriate public meetings and taken the measures necessary under R.C. Chapter 6119 to expand the role of the WTRSD to include water services and the Board of Trustees of Whitewater Township filed a petition with the Hamilton County Court of Common Pleas on July 21, 2011 (Case No. A1105668) to officially complete this expansion of authority for WTRSD after the effective date of this Agreement in accordance with R.C. Chapter 6119; and

WHEREAS, WTRSD, the City, Hamilton County and Cleves representatives have discussed the expansion of the WTRSD responsibilities to include providing water services and have concurred that this Agreement sets forth the framework for continued cooperation and coordination of each entity with respect to providing water services in and around Whitewater Township; and

WHEREAS, the terms of this Agreement have been approved by WTRSD, pursuant to Resolution 2012-01, adopted on April 24, 2012; and

WHEREAS, the terms of this Agreement have been approved by the City, pursuant to Ordinance 146 - 2012, dated MAY 2, 2012; and

WHEREAS, the terms of this Agreement have been approved by Hamilton County, pursuant to Resolution \_\_\_\_, as recorded in the Commissioners' Minutes at Vol. \_\_\_\_, Image \_\_\_\_, dated \_\_\_\_, 2012; and

WHEREAS, the terms of this Agreement have been approved by Cleves, pursuant to Resolution 152012 as recorded in the Board of Public Affairs Minutes at Vol. \_\_\_\_, Image \_\_\_\_, dated APRIL 25, 2012; and

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and agreements contained herein to be performed, the parties with intent to be legally bound agree as follows:

## **I. Formation of Water District**

On July 21, 2011, the Whitewater Township Board of Trustees filed with the Hamilton County Court of Common Pleas the petition ("Petition") attached hereto as Exhibit A prepared in accordance with R.C. Chapter 6119 for the purpose of adding to the approved statutory purpose of the WTRSD, as stated by the court in the Judgment Entry, to include the supply of water service sufficient for both domestic consumption and fire protection to users within Whitewater Township in accordance with R.C. 6119.01(A). The territory petitioned to be included in the WTRSD water district is the current corporate boundaries of Whitewater Township, Hamilton County, as established by the Ohio General Assembly. The City, Hamilton County and Cleves hereby consent to the expansion of the authority of the WTRSD to include the providing of water services, as specified pursuant to this agreement, and will not object to the granting of the Petition by the Court of Common Pleas subject to the incorporation of the terms of this Water Service Agreement as a condition of the Order granting the establishment and operation of the District.

## **II. Service Areas Defined**

A. GCWW Service Area. The City and Hamilton County entered into a County Water Area Contract dated July 1, 1987, as subsequently amended (the "GCWW Water Contract"). The July 1, 1987 GCWW Water Contract and its plats, exhibits and

appendices, are attached as Exhibit B. The GCWW Water Contract, together with its amendments plats and exhibits, set forth procedures by which the Hamilton County Commissioners provide for the supply of water and water service from surplus water available from the City, and construct water line extensions and related capital improvements in the County Water Area ("CWA") and Supplemental County Water Area ("SWCA"). The GCWW Water Contract, which currently expires on December 31, 2017, has been amended from time to time to include additional territories known as Supplemental County Water Areas under the contract. In the Seventh Amendment to the GCWW Contract dated July 28, 2000, the area known as Supplemental County Water Area No. 4 ("SCWA-4") was added to the area to be serviced by GCWW during the term of the contract. The Seventh Amendment is attached as Exhibit C. The boundaries of the SCWA-4 are set forth in Appendix F to the GCWW Water Contract. The territory in the GCWW and SCWA-4 areas located within Whitewater Township shall, for purposes of this Agreement, be defined as the "GCWW Service Area," as is shown in Exhibit D, attached hereto. The City and Hamilton County agree that any provision in Section 3 of the GCWW Water Contract that could be construed as prohibiting Hamilton County from assisting others with the construction or operation of a public water system in unincorporated territories in the GCWW Service Area shall not apply to the participation of WTRSD in a water project constructed according to the terms and procedures set forth in this Agreement.

B. Cleves Service Area. Cleves and Hamilton County entered into a County Water Area Contract dated March 27, 1991 ("Cleves Water Contract"), which was subsequently amended by Cleves and Hamilton County on or about December 21, 2011 by the First Amendment to the County Water Area Contract ("First Cleves Amendment") in order to add the Cleves Supplemental County Water Area ("CSCWA") to the existing Cleves County Water Area as shown on Appendix A to said First Cleves Amendment. The Cleves Water Contract, as amended, is attached as Exhibit E. The terms of that contract set forth procedures by which the Hamilton County Commissioners purchase surplus water and water service from Cleves and construct distribution line extensions and related capital improvements. The contract currently expires on December 31, 2017. The boundaries of Cleves water service area consist of the incorporated territory constituting the Village of Cleves and those areas designated under the Cleves Water Contract as Cleves County Water Areas or Cleves Supplemental County Water Areas ("Cleves Service Area"). The boundaries of the Cleves Service Area are set forth in the exhibits and appendices to the Cleves Water Contract, and are generally marked in "Exhibit D" as the Cleves Water Service area. The Cleves Service Area also includes the residential community commonly known as the Whitewater Trailer Park located at the intersection of Sand Run and Lawrenceburg Roads. Cleves and Hamilton County agree that any provision in Section 3 of the Cleves Water Contract that could be construed as prohibiting Hamilton County from assisting others with the construction or operation of a public water system in unincorporated territories in the Cleves Service Area shall not apply to the participation of WTRSD in a water project constructed according to the terms and procedures set forth in this Agreement.

C. Boundaries. By entering this Agreement the Parties do not intend, nor do they agree, to modify any geographic boundaries, County Water Areas, or Supplemental

County Water Areas, established by Hamilton County, Cleves, and/or the City. This Agreement does not prohibit modification of geographic boundaries from occurring in the future pursuant to independent agreements between or among the Parties.

E. Customers. By entering this Agreement, WTRSD does not intend, nor does Hamilton County, the City or Cleves agree, to the transfer of any existing GCWW or Cleves water customers in the GCWW or Cleves Service Areas to WTRSD. This Agreement does not prohibit such transfers of customers from occurring in the future pursuant to independent agreements between the Parties.

### **III. Future Water Projects**

#### **A. Projects in the GCWW Service Area**

1. Purpose. The purpose of this section is to coordinate infrastructure improvements and projects in the GCWW Service Area of Whitewater Township for the provision of water service in a cost effective manner and with minimal impact to local residents.

2. Requests for Water Projects. The City, Hamilton County, and WTRSD (the "GCWW Service Area Parties" for purposes of this Article III. A.) or any other public or private person or agency may propose, to any one or more of the GCWW Service Area Parties, a new water project that involves new public water line construction and plans for water service facility capital improvements, including replacements of existing water service facilities in the GCWW Service Area of Whitewater Township. In the event that any GCWW Service Area Party receives such a request, the party receiving the request shall notify the other GCWW Service Area Parties in writing within 30 days of receipt. If the City or the County wish to construct a water project in the GCWW Service Area for the betterment of its water system and the project is not in response to a request by a resident in the GCWW Service Area and is not financed by property assessment (excluding deferred front-footage or tap-in charges from "assessment" where a property owner will not be charged until he or she decides to tap-in) such project shall be exempt from the procedures set forth in this Article III. A. If the City constructs a water project in the GCWW Service Area using deferred front-footage or tap-in charges which is exempt from the procedures set forth in this Article III. A., the City agrees to use good-faith efforts to implement a payment plan for affected property owners to defer the financial burden of the water project.

Within 60 days after any GCWW Service Area Party receives a request for a new water project, the GCWW Service Area Parties shall meet and confer to discuss any requested project which is subject to the procedures set forth in this Article III. A. At the meeting, the GCWW Service Area Parties will decide to: (1) Proceed with the project; (2) Not Proceed with the Project; or (3) If one or more GCWW Service Area Parties would like to study the proposed water project further, agree to a specific timeline, not to exceed 90 days, to evaluate the proposed water project ("Evaluation Period"). The parties will reconvene within 14 days of the end of the Evaluation Period.

If at the first meeting, or at the meeting after the Evaluation Period, all of the GCWW Service Area Parties agreed not to proceed with the project, the request will be deemed formally rejected. The GCWW Service Area Party who originally received the notice will then notify the person requesting the water project, if a person other than the City, Hamilton County or WTRSD, that the request has been rejected.

3. Determining the Primary Developer: If only the City and/or Hamilton County decide to proceed with the proposed water project, then the City and/or Hamilton County will be the Primary Developer. If only WTRSD decides to proceed with the proposed water project, then WTRSD will be the Primary Developer. If the City or Hamilton County and WTRSD decide to proceed with the project, the GCWW Service Area Parties wishing to proceed shall agree at the meeting, or within 30 days thereafter, which Party will be the Primary Developer. The Primary Developer shall be the party that is best able to: (1) Efficiently design the project; (2) Commit resources necessary to complete the project in a timely manner; (3) Minimize the impact to the community during construction; (4) Secure a financing structure at the least overall cost to residents and businesses in Whitewater Township.

4. Property Owner Approval: Regardless of whether the City, Hamilton County or WTRSD is determined to be the Primary Developer pursuant to Paragraph III.A.3, no water project subject to the provisions of this Article III.A. financed in whole or in part by the use of property assessments (excluding deferred front-footage or tap-in charges where a property owner will not be charged until he or she decides to tap-in) shall proceed until 50% or greater of property owners to benefit from the water project, after having received preliminary estimates of assessments, have consented in writing to the project, unless such project is required by a state or federal regulatory agency or to protect the public health and welfare, or is consented to by all of the GCWW Service Area Parties.

5. City or Hamilton County as Primary Developer. If pursuant to Paragraph III.A.3, Hamilton County and/or the City are the Primary Developer, they shall have primary responsibility for the development of the project and the terms of the GCWW Water Contract shall govern. WTRSD shall not assess or collect any fees from customers served by projects in the GCWW Service Area of Whitewater Township that are developed by Hamilton County or the City.

6. WTRSD as Primary Developer. If pursuant to Paragraph III.A.3, WTRSD is the Primary Developer, WTRSD may proceed with the project subject to compliance with the terms of this Agreement. WTRSD will use water supplied by the City in the GCWW Service Area except as specifically otherwise provided in Paragraph III.A.6.c herein. WTRSD shall have primary responsibility for the development of the project, and shall construct the project in compliance with the following:

- a. Extensions of distribution mains and laterals in the GCWW Service Area of Whitewater Township constructed by the WTRSD in accordance with the provisions of this Water Service Agreement may be paid for using any funding mechanism authorized by Ohio Revised Code Chapter 6119 provided that the

Hamilton County Board of County Commissioners shall have first reviewed and approved the scope and cost of the project, including the amount of any property assessments used to fund any part of the project. Subject to compliance with the provisions of this Section III. A. 6. and Section III. A. 4. hereof, WTRSD may assess a property owner based on the costs of pipe up to eight (8) inch diameter. If a project calls for pipe larger than eight (8) inch diameter as determined by GCWW, funding sources other than property assessments must be used for the cost differential between the 8" pipe and the larger diameter pipe. In such circumstances where the Director of GCWW or the Greater Cincinnati Water Works Laws, Ordinances, Rules and Regulations require the extension to be a pipe of more than eight (8) inches in diameter, GCWW shall provide pipe materials in lieu of paying the difference in cost as provided in Section 4 of the GCWW Water Contract governing "Extension and Construction of Distribution Mains," which is attached hereto as Exhibit F.

b. WTRSD will complete design, engineering and cost estimates of the water project in accordance with the Greater Cincinnati Water Works Laws, Ordinances, Rules and Regulations and the City Supplement to the State of Ohio Department of Transportation Construction and Material Specifications. Such design and costs, including an engineer's estimate and financing plan, will be provided to the City (as to design and engineering only unless City funding involved) and Hamilton County and subject to their review, comments, and written approval prior to proceeding with the project. Such review and approval process shall be timely and in no event shall exceed 90 days. WTRSD shall be responsible for compliance by the project with requirements from Ohio EPA including the payment of any fees related to the application for and issuance of Permit(s) to Install for the project.

c. Prior to the City's approval, the City shall evaluate what capital improvements inside and outside the GCWW Service Area shall be necessary, if any, except for those covered under Paragraph III.A.6.a of this Agreement, to provide an adequate supply of water to those to be served by the proposed water project. The City, in its sole discretion as to necessity, cost effectiveness, and timing, may cause these improvements to be made. WTRSD is not responsible for the costs of any capital improvements unless otherwise agreed. It is the intent of the parties that WTRSD will utilize water supplied by the GCWW for any water projects in the GCWW Service Area of Whitewater Township where WTRSD is the Primary Developer. With respect to new projects to be constructed by WTRSD, in the event that the City cannot or will not provide WTRSD water of suitable quality, quantity, or water at a price that is consistent with rates charged customers in the CWA or SCWA, WTRSD may, with the written consent of Hamilton County and the City, obtain water from alternate sources other than the City, including Cleves, and also including, without limitation, its own sources, in order to provide new water service in Whitewater Township or to those areas outside of Whitewater Township where expressly provided for in Section III.E herein.

d. WTRSD will issue notices to persons benefited by the proposed project and hold any public meetings as may be required under R.C. Chapter 6119. WTRSD will prepare and submit the required Ohio EPA applications and required Ohio EPA fees under the GCWW/Ohio EPA self-certification program to GCWW and GCWW will obtain permits to install the water lines from Ohio EPA. WTRSD will obtain bids to construct the water project in accordance with the bidding requirements of R.C. 6119.10 and other applicable laws. WTRSD will construct the water project from various funding sources including low-interest loans, grants and/or issuance of bonds. These funding sources may obligate WTRSD to retain ownership of the distribution mains and laterals for some period after they are completed.

e. Upon completion of final plan design and approval by GCWW, authorized GCWW staff will have full-time access to inspect water main construction at all times during the construction of the project. At the meeting or meetings as described under Paragraphs III.A.2 and 3 herein, GCWW and WTRSD will discuss details related to GCWW's inspection requirements in addition to that which will be provided by WTRSD as Primary Developer. GCWW anticipates that any inspection it provides will be conducted by GCWW employees and GCWW will use its best efforts to do so. On the rare occasion when an outside third-party contractor is necessary, GCWW shall use best efforts to minimize the involvement of the outside contractor. At the meeting or meetings described under Paragraphs III.A.2 and 3 herein, GCWW will give top priority to making arrangements to use GCWW employees. The costs of such additional inspection, in accordance with Greater Cincinnati Water Works Laws, Ordinances, Rules and Regulations will be added to the project costs and the additional full-time inspection will be conducted by GCWW. Prior to construction activities on each project where WTRSD is the Primary Developer, GCWW, WTRSD and the construction contractor will meet to establish a communications protocol so that GCWW inspections, observations and reports are promptly received by contractors for WTRSD, considered and acted upon during construction. The construction contractor shall be responsible for flushing, pressure testing and disinfection of the water main(s) in accordance with the approved plans, specifications and the City Supplement to the State of Ohio Department of Transportation Construction and Materials Specifications. Bacteria samples will be collected and analyzed by GCWW. Upon notification from the construction contractor for a local water project that it has achieved substantial completion, WTRSD will conduct a prefinal inspection to verify substantial completion and prepare a joint punchlist of items with the City to be completed or corrected by the contractor. The City's written concurrence with the satisfactory completion of the punchlist items and receipt of final as-built drawings will constitute the City's acceptance and approval of the water project. The construction contractor shall be required to provide a performance bond of at least one-year duration in favor of the WTRSD, the County and the City prior to the commencement of work, in accordance to GCWW requirements. GCWW and WTRSD will conduct a final inspection prior to expiration of the performance bond.

f. Once a water project is approved and accepted by the City, and unless otherwise agreed, the City will assume all maintenance, repair, replacement and operational responsibilities of all aspects of the water project in accordance with the GCWW Water Contract subject to the warranties and bonds provided by contractors. Nothing in this Agreement would prevent WTRSD from assuming all maintenance, repair, replacement, and operational responsibilities if all of the GCWW Service Area Parties so agree. In addition, WTRSD may enter into future agreements with the City and Hamilton County to provide operation and maintenance of water service facilities that are currently in existence, subject to the concurrence of all GCWW Service Area Parties. In such an event, WTRSD shall be entitled to collect, or cause to be collected, such charges as may be permitted under R.C. Chapter 6119.09 for any maintenance, repair, replacement and operational services it provides.

g. After the City approves and accepts the project, so long as there are no funding sources utilized by WTRSD that obligate it to retain ownership of the distribution mains and laterals, and unless otherwise agreed, WTRSD shall convey full ownership and use of the same to the County or the City consistent with the terms of the GCWW Water Contract or successor agreement between the City and the County. If any funding sources obligate WTRSD to retain ownership of the water lines, WTRSD, unless otherwise agreed, shall convey such ownership immediately upon the retirement of any outstanding debt and/or all property assessments are satisfied that are related to the project. Nothing in this Agreement shall prevent WTRSD from retaining ownership of the project permanently if the GCWW Service Area Parties all agree that it is in the best interest of the public for it to do so.

h. The City will read all meters, print and mail all bills, collect bills and audit accounts that require payment, in accordance with the Cincinnati Rules and Regulations, which rules shall operate no differently for persons located in the GCWW Service Area of Whitewater Township than those located in the City. The City's water charges to customers shall be consistent with the City of Cincinnati Rules and Regulations that is equal to that charged to any other similarly situated customer in the GCWW Service Area as set forth under Section 12 of the GCWW Water Contract. GCWW will bill and collect an additional service charge at WTRSD's request, for water services related to the project to be paid to WTRSD by those customers served by a water project where WTRSD was the Primary Developer. Such additional charge will be reasonably related to WTRSD's costs of service and to continued operation costs of the district. The amount of the additional WTRSD service charge may be revised from time to time based on WTRSD water district costs of water services with full disclosure of costs to GCWW and shall be consistent with the requirements of law. WTRSD will promptly notify GCWW of any changes in the amount of the additional service charge. WTRSD shall be responsible for paying a surcharge to GCWW for the collection and payment of WTRSD's service charge based upon the number of customers to be charged and the corresponding administrative costs involved.

i. WTRSD may use existing easements and road rights-of-way in the GCWW Service Area of Whitewater Township for purposes of constructing a water project under this Agreement where the County has exclusive jurisdiction over such easements and rights-of-way and the WTRSD use is consistent with the County's use and requirements for said easements and rights-of-way. WTRSD will obtain any necessary County Engineer's permit and any work impacting the right-of-way will conform to the applicable Hamilton County regulations. With respect to water lines under its jurisdiction, WTRSD shall be responsible for road restoration and other infrastructure costs associated with construction, maintenance and/or repair of water lines and appurtenances, and for water line costs due to roadway renovation or repair until said water lines and appurtenances are dedicated to and accepted by Hamilton County or GCWW.

## **B. Projects in the Cleves Service Area**

1. Purpose. The purpose of this section is to coordinate infrastructure improvements and projects in the Cleves Service Area of Whitewater Township for the provision of water service in a cost effective manner and with minimal impact to local residents.

2. Requests for Water Projects. Cleves, Hamilton County, and WTRSD (the "Cleves Service Area Parties" for purposes of this Article III. B.) or any other public or private person or agency may propose, to any one or more of the Cleves Service Area Parties, a new water project that involves new public water line construction and plans for water service facility capital improvements, including replacements of existing water service facilities in the Cleves Service Area of Whitewater Township. In the event that any Cleves Service Area Party receives such a request, the party receiving the request shall notify the other Cleves Service Area Parties in writing within 30 days of receipt. If the County or Cleves wish to construct a water project in the Cleves Service Area for the betterment of its water system and the project is not in response to a request by a resident in the GCWW Service Area and is not financed by assessment (excluding deferred tap-in charges as assessments where a property owner will not be charged until he or she decides to tap-in) such project shall be exempt from the procedures set forth in this Article III. B. If the request is for a proposed water project to be located within the municipal boundaries of the Village of Cleves or the Village of North Bend, the Village of Cleves may, at its sole discretion, request that Hamilton County and WTRSD participate in the proposed project, although WTRSD shall have no obligation to participate in any such project. Otherwise, this Agreement does not apply to projects proposed within the municipal boundaries of the Village of Cleves or the Village of North Bend.

Within 60 days after any Cleves Service Area Party receives a request for a new water project, the Cleves Service Area Parties shall meet and confer to discuss any requested project which is subject to the procedures set forth in this Article III. B.. At the meeting, the Cleves Service Area Parties will decide to: (1) Proceed with the project; (2) Not Proceed with the Project; or (3) If one or more GCWW Service Area Parties would like to study the proposed water project further, agree to a specific timeline, not to exceed 90

days, to evaluate the proposed water project ("Evaluation Period"). The parties will reconvene within 14 days of the end of the Evaluation Period.

If at the first meeting, or at the meeting after the Evaluation Period, all of the Cleves Service Area Parties agreed not to proceed with the project, the request will be deemed formally rejected. The Cleves Service Area Party who originally received the notice will then notify the person requesting the water project, if a person other than Cleves, Hamilton County or WTRSD, that the request has been rejected.

3. Determining the Primary Developer: If only Cleves and/or Hamilton County decide to proceed with the proposed water project, then Cleves and Hamilton County will be the Primary Developer. If only WTRSD decides to proceed with the proposed water project, then WTRSD will be the Primary Developer. If Cleves and Hamilton County and WTRSD decide to proceed with the project, the parties wishing to proceed shall agree at the meeting, or within 30 days thereafter, which Party will be the Primary Developer. The Primary Developer shall be the party that is best able to: (1) Efficiently design the project; (2) Commit resources necessary to complete the project in a timely manner; (3) Minimize the impact to the community during construction; (4) Secure a financing structure at the least cost to residents and businesses in Whitewater Township.

4. Property Owner Approval: Regardless of whether Cleves, Hamilton County or WTRSD is determined to be the Primary Developer pursuant to Paragraph III.B.3, no water project subject to the provisions of this Article III. B. financed in whole or in part by the use of property assessments (excluding deferred tap-in charge financing where a property owner will not be charged until he or she decides to tap-in) shall proceed until 50% or greater of property owners to benefit from the water project, after having received preliminary estimates of assessments, have consented in writing to the project, unless such a project is required by a state or federal regulatory agency or to protect the public health and welfare, or is consented to by all of the Cleves Service Area Parties.

5. Cleves and Hamilton County as Primary Developer. If pursuant to Paragraph III.B.3., Hamilton County and/or Cleves are the Primary Developer, they shall have primary responsibility for the development of the project and the terms of the Cleves Water Contract shall govern. WTRSD shall not assess or collect any fees from customers served by projects in the Cleves Service Area of Whitewater Township that are developed by Hamilton County or Cleves.

6. WTRSD as Primary Developer. If, pursuant to Paragraph III.B.3., WTRSD is the Primary Developer, WTRSD may proceed with the project subject to the terms hereof. WTRSD will use water supplied by Cleves in the Cleves Service Area except as specifically otherwise provided in Paragraph III.B.6.c herein. WTRSD shall have primary responsibility for the development of the project, and shall construct the project in compliance with the following:

a. Extensions of distribution mains and laterals in the Cleves Service Area of Whitewater Township will be constructed by the WTRSD and will be paid for using any funding mechanism authorized by Ohio Revised Code Chapter 6119, provided that the Hamilton County Board of County Commissioners shall have first reviewed and approved the scope and cost of the project, including the amount of any property assessments used to fund any part of the project. Subject to compliance with Section III. B. 4. hereof, WTRSD may assess a property owner based on the costs of pipe up to eight (8) inch diameter. If a project calls for pipe larger than eight (8) inch diameter as determined by WTRSD and Cleves, funding sources other than property assessments must be used for the cost differential between the eight (8) inch pipe and the larger diameter pipe. WTRSD shall be entitled to any financial or pipe material equivalent contributions from Cleves, if any, to the same degree as would Hamilton County if it were constructing the same extensions and distribution mains, including circumstances where the Superintendent of Cleves requires the extension to be a pipe of more than eight (8) inches in diameter as provided in Section 4 of the Cleves Water Contract governing "Extension and Construction of Distribution Mains" for projects constructed by Hamilton County.

b. WTRSD will complete design, engineering and cost estimates of the water project in accordance with the Village of Cleves' Rules and Regulations. Such design and costs, including an engineer's estimate and financing plan, will be provided to Cleves (as to design and engineering only unless Cleves funding is involved) and Hamilton County and subject to their review, comments, and written approval prior to proceeding with the project. Such review and approval process shall be timely and in no event shall exceed 90 days. WTRSD shall be responsible for compliance of the project with requirements from Ohio EPA including the payment of any fees related to the application for and issuance of Permit(s) to Install for the project.

c. Prior to Cleves' approval, Cleves shall evaluate what capital improvements inside and outside the Cleves Service Area shall be necessary, if any, except for those covered under Paragraph III.B.6.a of this Agreement, to provide an adequate supply of water to those to be served by the proposed water project. Cleves, in its sole discretion as to necessity, cost effectiveness, and timing, may cause these improvements to be made. WTRSD is not responsible for the costs of any capital improvements unless otherwise agreed. It is the intent of the parties that WTRSD will utilize water supplied by Cleves for any water projects in the Cleves Service Area of Whitewater Township where WTRSD is the Primary Developer. With respect to new projects to be constructed by WTRSD, in the event that Cleves cannot or will not provide WTRSD water of suitable quality, quantity, or water at a price that is generally consistent with rates charged to customers in the Cleves Service Area, WTRSD may, with the written consent of Hamilton County and Cleves, obtain water from alternate sources other than Cleves, including the City, and also including, without limitation, its own sources, in order to provide water service in Whitewater Township or to those areas outside of Whitewater Township where expressly provided for in Section III.E

herein and in accordance with Cleves' water quality standards, specifications and requirements.

d. WTRSD will issue notices to persons benefited by the proposed project and hold any public meetings as may be required under R.C. Chapter 6119. WTRSD will prepare and submit the required applications and obtain permits to install the water lines from Ohio EPA. WTRSD will obtain bids to construct the water project in accordance with the bidding requirements of R.C. 6119.10 and other applicable laws. WTRSD will construct the water project from various funding sources including low-interest loans, grants and/or issuance of bonds. These funding sources may obligate WTRSD to retain ownership of the distribution mains and laterals for some period after they are completed.

e. Upon completion of final plan design and approval by Cleves, authorized Cleves engineers will have full-time access to inspect water main construction at all times during the construction of the project. If after discussion at the meeting or meetings as described under Paragraph III.B.2 and 3 herein, Cleves determines that inspection of the project is necessary in addition to that which will be provided by WTRSD as Primary Developer, the costs of such additional inspection will be added to the project costs and the additional inspection will be conducted by full-time employees of Cleves. Prior to construction activities on each WTRSD project, Cleves engineers, WTRSD representatives and the construction contractor will meet to establish a communications protocol so that Cleves inspections, observations and reports are promptly received by contractors for WTRSD, considered and acted upon during construction. Upon notification from the construction contractor for a local water project that it has achieved substantial completion, WTRSD will conduct a prefinal inspection to verify substantial completion and prepare a joint punchlist of items with Cleves to be completed or corrected by the contractor. Cleves' written concurrence with the satisfactory completion of the punchlist items and receipt of final as-built drawings will constitute Cleves acceptance and approval of the water project. The construction contractor shall be required to provide a performance bond in favor of the WTRSD, the County and Cleves prior to the commencement of work, in accordance with Cleves' requirements.

f. Once a water project is approved and accepted by Cleves, and unless otherwise agreed, Cleves will assume all maintenance, repair, replacement and operational responsibilities of all aspects of the water project in accordance with R.C. Chapter 743 subject to the warranties and bonds provided by contractors. This includes responsibilities for the maintenance, repair, and replacement of fire hydrants, pumps, water service branches, water meters, and other equipment. Cleves and Hamilton County may then choose to further allocate these responsibilities in accordance with the Cleves Water Contract if the project is in a County Water Area or Supplemental County Water Area. Nothing in this Agreement would prevent WTRSD from assuming all maintenance, repair, replacement, and operational responsibilities if all of the Cleves Service Area Parties so agree. In addition, upon mutual agreement of the Cleves Service Area

Parties, WTRSD may enter into future agreements with Cleves and Hamilton County to provide operation and maintenance of water service facilities that are currently in existence. WTRSD shall be entitled to collect, or cause to be collected, charges permitted under R.C. Chapter 6119.09 for any maintenance, repair, replacement and operational services it provides.

g. If after Cleves approves and accepts the project, so long as there are no funding sources utilized by WTRSD that obligate it to retain ownership of the distribution mains and laterals, and unless otherwise agreed, WTRSD shall convey full ownership and use of the same to either the County or Cleves consistent with the terms of the Cleves Water Contract or successor agreement between the County and Cleves. If any funding sources obligate WTRSD to retain ownership of the water lines, WTRSD, unless otherwise agreed, shall convey such ownership immediately upon the retirement of any outstanding debt and/or all property assessments are satisfied that are related to the project. Nothing in this Agreement shall prevent WTRSD from retaining ownership of the project permanently if the Cleves Service Area Parties all agree that it is in the best interest of the public for it to do so.

h. Cleves will read all meters, print and mail all bills, collect bills and audit accounts that require payment, in accordance with the Village of Cleves Rules and Regulations, which rules shall operate no differently for persons located in the Cleves Service Area of Whitewater Township than those located in the Village of Cleves. Cleves water charges to customers shall be consistent with the Village of Cleves Rules and Regulations that is equal to that charged to any other similarly situated customer in the Cleves Service Area as set forth under Section 12 of the Cleves Water Contract. Cleves will bill and collect an additional service charge, at WTRSD's request for water services related to the project to be paid to WTRSD by those customers served by a water project where WTRSD was the Primary Developer. Such additional charge will be reasonably related to the WTRSD's costs of service and to continued operation costs of the district. The amount of the additional WTRSD service charge may be revised from time to time based on WTRSD water district costs of water service with full disclosure of costs to Cleves and shall be consistent with the requirements of law. WTRSD will promptly notify Cleves of any changes in the amount of the additional service charge. WTRSD shall be responsible for paying a surcharge to Cleves for the collection and payment of WTRSD's service charge based upon the number of customers to be charged and the corresponding administrative costs involved.

i. WTRSD may use existing easements and road rights-of-way in the Cleves Service Area of Whitewater Township for purposes of constructing a water project under this Agreement where Hamilton County has exclusive jurisdiction over such easements and rights-of-way and the WTRSD use is consistent with the County's use and requirements for said easements and rights-of-way. WTRSD will obtain any necessary County Engineer's permit and any work impacting the right-of-way will conform to the applicable Hamilton County regulations. With respect to water lines under its jurisdiction, WTRSD shall be responsible for road

restoration and other infrastructure costs associated with construction, maintenance and/or repair of water lines and appurtenances, and for water line costs due to roadway renovation or repair until said water lines and appurtenances are dedicated to and accepted by Cleves.

#### **C. Service to Indiana**

Nothing in this Agreement shall prevent WTRSD or any other Party from providing water service to communities located within the State of Indiana.

#### **IV. Financial**

The parties agree that their most important objective in entering this Agreement is to provide cost effective reliable water service to the residents of Hamilton County and Whitewater Township. To that end, WTRSD, Hamilton County, the City and Cleves commit to work cooperatively to deliver reliable quality water service and new facilities at reasonable cost while ensuring water quality and good engineering design, operation and maintenance of such systems. Where grants, low interest loans and general funds can be utilized for financing projects without imposing part or all of the capital costs on the residents of Whitewater Township, those options shall be diligently pursued. The County residents and customers of Whitewater Township shall be treated no less favorably than the other similarly situated customers of the City and Cleves in terms of rates, fees, assessments and any available financial contributions. Nothing in this Section or in the Agreement shall be construed to prevent or limit Hamilton County from implementing a rate differential charge in the WTRSD service area for fire hydrant maintenance similar to the rate differential in the GCWW.

#### **V. Term, Amendment, and Assignment**

This Agreement shall remain in force and effect until terminated upon mutual agreement of the parties. This Agreement shall only be amended through written amendment duly authorized and executed by each party. A party to this Agreement may assign the Agreement only upon the written consent of the other parties. Upon the termination of the Cleves Water Contract and/or GCWW Water Contract, the parties to each contract and WTRSD shall convene to negotiate in good faith regarding the future provision of water service to customers in the County Water Areas and Supplemental County Water Areas.

IN WITNESS WHEREOF, each of the parties has executed five originals of this Agreement on this 15th day of May, 2012.

WHITEWATER TOWNSHIP  
REGIONAL SEWER DISTRICT

By: John W. King

Title: President

BOARD OF COMMISSIONERS OF  
HAMILTON COUNTY, OHIO

By: Christian Sygna

Title: COUNTY ADMINISTRATOR

Approved as to form:

W. Peter Hall  
Asst. Hamilton County Prosecutor

CITY OF CINCINNATI

By: Mark Miller

Title: Asst. City Mgr.

VILLAGE OF CLEVELAND, OHIO

By: Danny Stacey

Title: Mayor

Approved as to form:

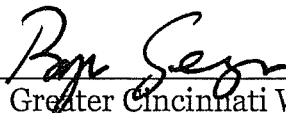
Christine M. Zinner  
Assistant City Solicitor

Approved as to form:

Thomas M. [Signature]  
Village Law Director

Recommended By:

Recommended By:

  
\_\_\_\_\_  
Director, Greater Cincinnati Water Works

Board of Public Affairs

MAY 02 2012  
CERTIFICATION OF  
FUNDS NOT REQUIRED

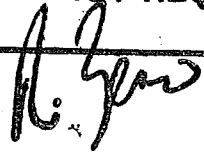
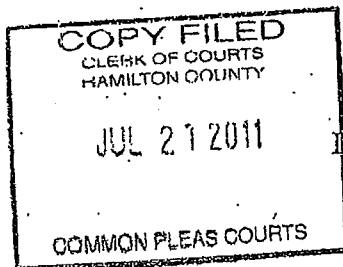
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Exhibit A  
Petition



IN THE COURT OF COMMON PLEAS  
HAMILTON COUNTY, OHIO

IN RE:

Case No. A 1105668

ORGANIZATION OF WHITEWATER  
TOWNSHIP REGIONAL WATER  
DISTRICT

PETITION FOR THE ORGANIZATION  
OF A REGIONAL WATER DISTRICT

1. Pursuant to the provisions of Section 6119.01, Revised Code, et. seq., the Board of Trustees of Whitewater Township, Hamilton County, Ohio, hereby petition this honorable Court for approval to organize a regional water district.

2. The Petitioner hereby furnishes the following information to this Court (R.C. 6119.02):

A. On April 14, 2000, the Hamilton County Court of Common Pleas issued a Judgment Entry forming the Whitewater Township Regional Sewer District ("WTRSD") to provide for the collection, treatment, and disposal of waste water from within and without the district in accordance with Ohio Revised Code § 6119.01(B).

B. The Board of Trustees of Whitewater Township, Ohio have determined it to be in the best interest of the residents and businesses of Whitewater Township to expand the role of the WTRSD to include water services in addition to wastewater services. A copy of a resolution authorizing the filing of this petition is attached as Exhibit A.

C. The proposed name of the combined regional water and sewer district shall be the Whitewater Township Regional Water and Sewer District.

D. The place in which its principal office is to be located is 6125 Dry Fork Road, Cleves, Ohio 45002, Whitewater Township.

E. This proposed regional water district is necessary in that there are portions of Whitewater Township which are not currently served by a public water system. The provision of public water facilities shall be conducive to the public health, safety, convenience and welfare of the citizens of Whitewater Township, Hamilton County, Ohio.

F. The purpose of the proposed regional water district shall be to provide public water services to the owners of residences, businesses, commercial facilities and industries located in Whitewater Township, Hamilton County, Ohio who are served by the service area as defined in Section 2(G) of this Petition.

G. The description of the territory to be included within the proposed regional water district shall be the current corporate boundaries of Whitewater Township, Hamilton County, Ohio, as established by the General Assembly of Ohio.

H. The WTRSD, the City of Cincinnati, the Board of Commissioners of Hamilton County, Ohio and the Board of Public Affairs, Village of Cleves, Hamilton County, Ohio ("Cleves") are negotiating a Water Service Agreement to set forth the framework for continued cooperation and coordination of each entity with respect to providing water services in and around Whitewater Township.

I. The governing body of the proposed regional water district shall be the same as the governing body of the WTRSD, which consists of five (5) members. Said Board of Trustees are appointed by the Board of Township Trustees, Whitewater Township, Hamilton County, Ohio, and serve rotating terms of four (4) years each. A Trustee may be reappointed to subsequent terms. The compensation of the members of the regional water and sewer district Board of Trustees shall be set by the Board of

Trustees of Whitewater Township, Hamilton County, Ohio, in a sum which it may, from time to time, deem appropriate for the services rendered.

Subsequent changes in the composition of and of other provisions relating to the regional water district may be adopted by the Board of Trustees of the regional water and sewer district pursuant to the provisions of Section 6119.051, Revised Code.


J. The cost of operations of the proposed water district may be financed in part by the Board of Trustees of Whitewater Township, Hamilton County, Ohio, until the regional water district is in receipt of revenues from its operations or proceeds from the sale of bonds, and/or may be financed by issuing notes pursuant to the provisions of Chapter 57 of the Ohio Revised Code, or financed from other funding sources as may be appropriate.


3. A public meeting for the purpose of receiving comments on the proposed establishment of a regional water district was held on the 26<sup>th</sup> day of November, 2007, pursuant to Section 6119.02(B), Revised Code.

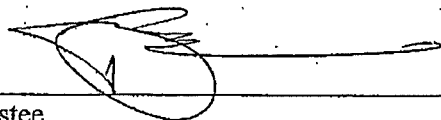
4. A plan for the operation of the water district is attached hereto as Exhibit B.

**WHEREFORE**, the Board of Trustees of Whitewater Township, Hamilton County, Ohio, hereby petitions this Court for an order approving the creation of the water district and organizing the Whitewater Township Regional Water and Sewer District after a final hearing to be held not later than sixty (60) days after the filing of this Petition, pursuant to Section 6119.04, Revised Code, and for such other orders subsequent to its original order as may be necessary to organize said district pursuant to the provisions of Section 6119.01, Revised Code, et. seq.

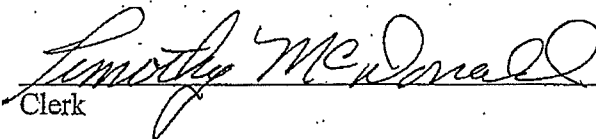
BOARD OF TRUSTEES OF WHITEWATER  
TOWNSHIP, HAMILTON COUNTY, OHIO  
(Petitioners)

  
\_\_\_\_\_  
President

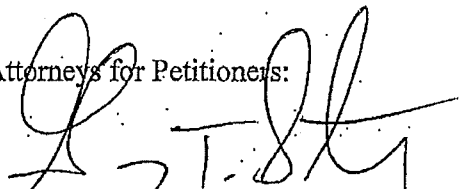
  
\_\_\_\_\_  
Vice President

  
\_\_\_\_\_  
Trustee

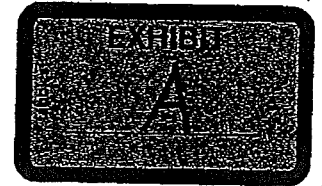
ATTEST:

  
\_\_\_\_\_  
Clerk

Attorneys for Petitioners:

  
\_\_\_\_\_

William M. Deters II (0065203)  
Gary T. Stedronsky (0079866)  
ENNIS, ROBERTS & FISCHER CO., LPA  
1714 West Galbraith Road  
Cincinnati, Ohio 45239-4812  
(513) 421-2540  
(513) 562-4986 (facsimile)  
[wmdeters@erflegal.com](mailto:wmdeters@erflegal.com)



**RESOLUTION NO. 2011 - 12**

**A RESOLUTION AFFIRMING AUTHORIZATION OF THE INITIATION OF A PETITION FOR THE ORGANIZATION OF A REGIONAL WATER DISTRICT**

**WHEREAS**, Section 6119.01, Revised Code, et. seq., sets forth the procedures for the formation of a regional water district in the state of Ohio; and

**WHEREAS**, on April 14, 2000, the Hamilton County Court of Common Pleas issued a Judgment Entry forming the Whitewater Township Regional Sewer District ("WTRSD") to provide for the collection, treatment, and disposal of waste water from within and without the district in accordance with Ohio Revised Code § 6119.01(B); and

**WHEREAS**, on December 17, 2007, the Board of Trustees of Whitewater Township, Hamilton County, Ohio, adopted a resolution expressing its desire to organize a regional water district by expanding the role of the WTRSD and instructed its legal counsel to draft the necessary petition for review and approval by the Trustees; and

**WHEREAS**, the Trustees wish to affirm their desire to organize a regional water district by expanding the role of the WTRSD and authorize the execution and filing of the necessary petition with the Hamilton County Court of Common Pleas.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of Whitewater Township, Hamilton County, Ohio, as follows:

1. The Board of Trustees hereby affirm their desire to initiate proceedings for the organization of a regional water district within the corporate boundaries of Whitewater Township, Hamilton County, Ohio, pursuant to the provisions of Section 6119.01, Revised Code, et. seq.

2. The Board of Trustees hereby approves the attached Petition for the Organization of a Regional Water District within the corporate boundaries of Whitewater Township, Hamilton County, Ohio; authorizes the execution of said Petition; and authorizes the filing of said Petition in the office of the Clerk of the Court of Common Pleas of Hamilton County, Ohio.

3. Each member of the Board of Trustees and the Clerk are hereby authorized to sign said Petition as required by Section 6119.02, Revised Code.

4. The Board of Trustees, the Clerk and legal counsel for Whitewater Township are hereby authorized to take whatever steps are reasonably necessary to initiate the organization of such a regional water district and to further take whatever steps are necessary to continue the process of organization as required by the Ohio Revised Code.

5. That it is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were taken in an open meeting of this Board, and all deliberations of this Board and any of its committees, if any, that resulted in such formal actions were adopted in meetings open to the public, in compliance with all applicable legal requirements of the Ohio Revised Code.

INTRODUCTION AND VOTE RECORD: Trustee BROWN introduced the foregoing Resolution and moved its adoption. Trustee CORMAN seconded the Motion. The roll being called upon the question of adoption of the Resolution by the Township Clerk, the vote resulted as follows:

Trustee Brown	<u>YEA</u>
Trustee Corman	<u>YEA</u>
Trustee Ziegler	<u>YEA</u>

ADOPTED this 20th day of JUNE, 2011.

BOARD OF TRUSTEES OF WHITEWATER  
TOWNSHIP, HAMILTON COUNTY, OHIO

Robert E. Brown  
President

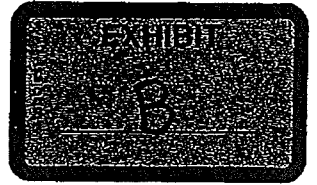
Edward Corman  
Vice President

[Signature]  
Trustee

AUTHENTICATION

This is to certify that this Resolution was duly adopted by the Board of Trustees, and filed with the Whitewater Township Fiscal Officer, this 20th day of JUNE, 2011

Timothy McDonald  
Clerk / Fiscal Officer



**PLAN FOR THE  
PROVISION OF SERVICES  
FOR THE  
WHITEWATER TOWNSHIP REGIONAL  
WATER AND SEWER DISTRICT**

**JULY 2011**

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- B. Public Involvement**
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- B. General Implementation Schedule**

### **III. PLAN OF FINANCING**

- A. Funding Source**
- B. Financing of Local Costs**

## **I. GENERAL**

A. **Purpose and Benefits of District**

The Whitewater Township Regional Sewer District ("WTRSD" or "District") currently operates a regional sewer district pursuant to Ohio Revised Code ("R.C.") Chapter 6119. The Whitewater Township Board of Trustees wishes to expand the powers of the WTRSD to include the development of water projects as is permitted under Chapter 6119. The overall purpose of the expansion of powers will be to provide cost-effective water service to the owners of residences, businesses, commercial facilities and industries within the District. Accomplishing this overall purpose will require the construction of water lines pursuant to intergovernmental arrangements.

Under existing Ohio Law, townships are not given the authority to deal with problems and opportunities which necessitate the financing and construction of central water distribution and treatment facilities.

To fill this void, R.C. Chapter 6119 provides the mechanism for the creation of a Regional Water District with appropriate authority to provide local solutions for central water distribution and treatment including the authority to:

1. Secure financing
2. Employ necessary experts
3. Prepare plans
4. Negotiate service agreements
5. Acquire lands and rights-of-way
6. Construct improvements
7. Levy assessments and other user charges
8. Provide on-going operations and maintenance

For some time, the Whitewater Township Trustees have been confronted with various issues for which central water distribution and treatment are the only viable solution. These issues have created the necessity for the proposed Regional Water District. The establishment of the District will be conducive to the public health, safety, convenience and welfare of District residents by providing a mechanism for the financing and construction of improvements.

Water districts formed under R.C. Chapter 6119 are often able to borrow money for projects under more favorable terms than a county district given the different demographics of a rural district as compared to that of a county. For example, 6119 districts qualify for low or no interest loans and grants not available to most county districts. WTRSD contemplates adding a small service charge for customers benefiting from lines built by the District, but the cost savings realized by customers benefiting from lines built by the District would more than offset any supplemental service charge.

In addition to the increased financing benefits, there are two additional benefits:

1. Coordination of water and wastewater projects leading to reduced costs, reduced disruption of commercial/industrial activities and minimized environmental impacts.
2. Increased citizen access to WTRSD Board Members allowing direct public involvement on water project development and execution.

**B. Public Involvement**

The establishment of the District will be conducive to the public health, safety, convenience and welfare of District residents by providing a mechanism for the enhanced financing and construction of water improvements. Public meetings held within the District indicate strong support for creating the District to provide cost-effective local solutions to water problems and development opportunities.

**C. Project Area Description**

The proposed boundary of the water district is consistent with the sewer district boundary as initially established and encompasses all unincorporated areas of Whitewater Township, Hamilton County, Ohio. The boundary is depicted in Exhibit A attached hereto.

The boundaries of the District would include certain service areas currently delineated under contracts between the Village of Cleves and Hamilton County and the City of Cincinnati and Hamilton County. The formation of the proposed water district is meant to enhance the potential for cost-effective and efficient development of water improvements to serve the area and will in no way affect existing service area boundaries or the allocation of customers.

WTRSD, Greater Cincinnati Water Works, the Village of Cleves, and Hamilton County are presently negotiating an agreement that provides a framework for the development of future water projects. It is not necessary that the agreement be finalized before the water district is created, but the parties anticipate that the agreement will be finalized in the near future and before commencement of the first water project in the district. The agreement is expected to minimize any potential misunderstandings among the parties and allow projects to move forward more efficiently and with greater cooperation and organization among the parties.

The Agreement will acknowledge pre-existing water service contracts (and amendments) between Hamilton County, Cleves and Cincinnati Water Works and the boundaries of their respective service areas. The Agreement will also take into account areas of the township already served such as the Twin Rivers service area on the western boundary of Whitewater Township and the State of Indiana and the trailer park known as the Whitewater Trailer Park located at the intersection of Lawrenceburg Road and Sand Run Road already served by Cleves. Any area in the township not currently allocated to Cleves or Cincinnati or presently receiving water service (e.g. the Twin Rivers' area or Whitewater Trailer Park) would be considered WTRSD's "service area" under the agreement.

Under the agreement, water projects built in the Cleves and Cincinnati service areas will be treated separately. Essentially, in the Cincinnati or Cleves service areas, any person, including WTRSD, may request a water project. Cincinnati or Cleves may: (a) choose to proceed with the project without WTRSD involvement; or (b) decline to participate. If they decline, WTRSD may choose to build the project. WTRSD could then design and engineer the project, hold the public meetings, send out the notices, obtain the financing, and build the project. Unless there were funding mechanisms requiring WTRSD to retain ownership, WTRSD could transfer ownership to Cincinnati or Cleves when the debt is retired. Otherwise, ownership could transfer upon completion. In either case, upon completion, Cincinnati or Cleves would be assume responsibility for all maintenance, repair, replacement, operations, billing and collection. The service quality and cost to residents and businesses would, therefore, remain consistent for new and existing customers.

Rates paid by customers in the Cincinnati or Cleves project areas would be tied to the rate schedules in the Cincinnati or Cleves water agreements. Customers in a WTRSD project area would be treated just like any other similarly situated customer in the Cincinnati or Cleves service area of Hamilton County. Cincinnati or Cleves would collect an additional service fee to be paid to WTRSD.

In the WTRSD service area, if WTRSD were to receive a request for a water project, the agreement will allow it to proceed without the approval of Hamilton County, Cincinnati, or Cleves. If WTRSD declines to provide water service, Cincinnati, Cleves or another entity may provide service. For projects in the WTRSD service area, the intent is to use water supplied by either Cincinnati or Cleves. However, in the unlikely event that Cincinnati or Cleves cannot supply water, WTRSD may obtain water supply from another entity or develop its own water supply facilities.

## **II. CENTRAL WATER SYSTEM NEEDS**

**A. Project Identification / Economic Development Needs**

The primary impetus to the foundation of the WTRSD water district is the long recognized need to provide consistent and reliable water service and fire protection along SR 128 from I-74 to US 50.

Existing service is provided by a City of Cleves water line which is old and in need of repair and is undersized to meet future economic development needs envisioned for the area.

Water demand and fire protection requirements are also anticipated to increase due to current plans by WTRSD to provide central wastewater collection to the area with treatment at MSD's Taylor Creek WWTP.

Exhibit B identifies the current location of existing Cleves and Greater Cincinnati Water Works water service and the proposed location of the WTRSD Phase I project. Figure 1 provides a preliminary cost estimate for the Phase I project. Future phases are anticipated in the western portion of the township with water supply from Cleves and or Cincinnati Water Works as appropriate.

**B. General Implementation Schedule**

In order to coordinate the water and sewer projects along SR128, the following estimated general Implementation Schedule has been developed.

<u>EVENT</u>	<u>TIMESCHEDULE</u>
Water District Petition	June 2011
Court Approval of Petition	September 2011
OWDA Planning / Design Application Approved	October 2011
Phase I Design submitted to OEPA	May 2012
OPWC Funding Application Submitted	September 2012
OEPA Plan Approval	November 2012
Advertise for Bids	January 2013
Open Bids	March 2013
OWDA / OPWC Funding Approval	June 2013
Initiate Construction	July 2013
Complete Construction / Initiate Operations	December 2014
Phase II Project	As Requested

### **III. PLAN OF FINANCING**

**A.     Funding Source**

Financing for identified projects will be accomplished in a two-step process as follows:

The District will make application with appropriate funding agencies (based on the character of the project, demographics or project area, etc.) to secure grants and reduce interest loans to minimize the local project costs to residents. The following grant/loan sources are compatible with Water District requirements:

- |                                       |                                       |
|---------------------------------------|---------------------------------------|
| a.) Water Pollution Control Loan Fund | d.) Ohio Public Works Commission      |
| b.) Ohio Water Development Authority  | e.) Community Development Block Grant |
| c.) Ohio Department of Development    | f.) USDA Rural Development            |

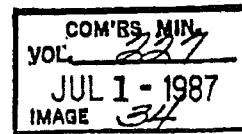
**B.     Financing of Local Costs**

The local project will be financed utilizing property assessments on a benefit basis. Assessments may be paid in cash at project completion or, at the option of the property-owner, may be financed on property taxes. Favorable interest rates and/or terms secured by the District will be passed on to property owners who chose to finance improvements.

**FIGURE 1**  
**WHITEWATER TOWNSHIP REGIONAL WATER DISTRICT**  
**SR128 WATER LINE REPLACEMENT**  
**CONCEPTUAL COST OPINION**

<u>ITEM</u>	<u>QTY</u>	<u>UNIT</u>	<u>UNIT COST</u>	<u>TOTAL</u>
Mob/Demob/ Ins/ Bonds	1	LS	\$ 160,000	\$ 160,000
Traffic Control	1	LS	\$ 40,000	\$ 40,000
As Built Drawings	1	LS	\$ 27,000	\$ 27,000
Class 53 DI – 16" WM	23,725	LF	\$ 200	\$ 4,745,000
Section Valves	48	EA	\$ 8,100	\$ 388,800
Hydrants	50	EA	\$ 3,950	<u>\$ 197,500</u>
SUBTOTAL CONSTRUCTION				\$ 5,558,300
Construction Contingency				\$ 831,700
Planning & Design				\$ 850,000
Construction Services				\$ 420,000
Land / Legal / ROW				\$ 550,000
Capitalized Interest				<u>\$ 225,000</u>
TOTAL PROJECT COST				\$ 8,435,000

Exhibit B  
GCWW Water Contract



## COUNTY WATER AREA CONTRACT

THIS CONTRACT, entered into as of this 1st day of July, 1987, between the City of Cincinnati, hereinafter designated "Cincinnati," acting through its City Manager, and the Board of County Commissioners of Hamilton County, Ohio, hereinafter designated "County Commissioners," acting pursuant to Chapters 307 and 6103 of the Revised Code of Ohio,

### W I T N E S S E T H :

WHEREAS, Cincinnati has been supplying water to certain portions of incorporated and unincorporated territory outside its municipal limits pursuant to a contract entered into on January 14, 1955 by and between Cincinnati and the County Commissioners, as extended by Court order in Case A8501668; and

WHEREAS, prior to and during the term of said contract, a water system consisting of treatment, transmission, supply and distribution water mains and related facilities in the County Water Area has been constructed; and

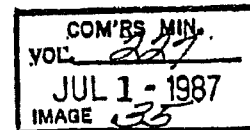
WHEREAS, the County Commissioners desire to continue to receive surplus water and water service from the City on behalf of the consumers which they represent pursuant to this contract, and the City is willing to sell surplus water to consumers in said County Water Area subject to the terms and conditions of this agreement; and

WHEREAS, the County Commissioners pursuant to Chapters 307 and 6103 of the Ohio Revised Code have the power to contract for the purchase of surplus water and water service from Cincinnati; and Cincinnati, pursuant to the Constitution of the State of Ohio and the relevant provisions of the Ohio Revised Code, the Cincinnati Municipal Code and Charter, has the power to sell such surplus water and water service to the County Commissioners;

NOW THEREFORE, in consideration of the aforementioned premises, and the terms and conditions recited hereto, Cincinnati and the County Commissioners do hereby agree as follows:

Section 1. Definitions. For the purposes of this contract, the terms defined in this section shall have the meanings therein ascribed to them, unless, in any particular part of the contract, a different meaning shall be clearly indicated.

a) City Water System. The water supply, production, treatment, transmission, storage, distribution and related facilities owned and/or operated by the City of Cincinnati for itself, its inhabitants, the County Water Area, any Supplemental County Water Area, and for all other areas served, in accordance



with powers conferred upon municipalities by the Constitution and the laws of the State of Ohio.

b) County Water Area (Hereinafter sometimes referred to as the CWA). The County Water Area (CWA) means the area outside of the corporate limits of the City of Cincinnati and consisting of the unincorporated territory of Hamilton County lying within the shaded area outlined on the plat attached hereto and made a part hereof and designated Appendix A, as more fully set forth in Appendix B, and the cities and the villages, who have signed or may hereafter sign an acceptance of this Contract, which acceptances are incorporated herein by reference, and such additional areas as the parties may agree to.

c) Supplemental County Water Area (Hereinafter sometimes referred to as SCWA). The parties may agree to allow the City to service an unincorporated area outside of the corporate limits of the City of Cincinnati but within Hamilton County under terms and conditions which remain to be negotiated or arbitrated as hereunder provided. Each such area shall be known as a Supplemental County Water Area (SCWA) from and after the time when service is effected by the City.

d) Distribution Main. Any main intended primarily to serve properties abutting the street or road in which it is laid.

e) Transmission Main. Any main not less than 12 inches in diameter, intended solely to carry water for the supply of distribution mains.

f) Dual Purpose Main. Water mains, 12 inches and 16 inches in diameter, which are intended for the dual purpose of transmission and distribution of water.

g) Water. Water means surplus water not needed by Cincinnati for its inhabitants.

h) Director. The Director of the Water Works of Cincinnati, also known as the Superintendent pursuant to the Charter of the City of Cincinnati.

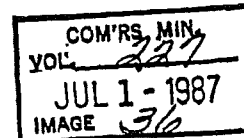
i) City Manager. The City Manager of Cincinnati.

j) Code of Ordinances. The Code of Ordinances of Cincinnati.

k) City. City of Cincinnati, Ohio.

l) County. County of Hamilton, Ohio.

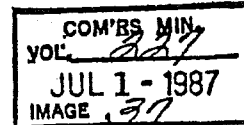
m) Cincinnati Rules and Regulations. The ordinances, laws, standards, specifications, rules and regulations governing the Cincinnati Water Works.



Section 2. Purpose of Contract. The purpose of this contract is to establish the terms and conditions under which Cincinnati will provide water service during the contract period to consumers in the CWA or any SCWA.

Section 3. Obligations of County Commissioners. The construction of a water system and appurtenances to serve customers in the CWA or any SCWA is a significant expense requiring debt to be incurred by the City of Cincinnati, and revenues from CWA customers are needed to service that debt during the term of this contract. The County will not furnish or contract with others to furnish, during the term of this contract, water to anyone within the CWA or any SCWA, except where the City is incapable of doing so by reason of the occurrences stated in Section 18 hereof. The County may furnish water, or contract with others to furnish water, to persons located outside the CWA or any SCWA. The County may also, during the term of this contract, contract with others or itself undertake to construct its own water system for all or any part of the CWA or any SCWA, provided, however, that operation thereof shall be effective only on termination of this contract. In the event that the County decides, during the term of this contract, to contract with others or itself undertake to design and construct its own water system for all or any part of the CWA or any SCWA, the County shall immediately notify the City in writing of that decision. Upon termination of this contract, the County shall pay to the City the costs of all capital improvements which the City constructed as part of the City Water System pursuant to the arbitration provisions of Sections 5(c) and 5(d) of this contract to the extent that debt service (principal and interest) remains unpaid and to the extent that such capital improvements are no longer useful to the City Water System. The County shall also pay to the City such associated and ongoing costs, if any, (including operation and maintenance) of said capital improvements from and after the termination of this contract as shall be determined through arbitration (as provided in Section 22 of this contract) to be necessary to fairly compensate the City for any excess costs that are incurred by reason of the County's decision to construct its own water system for all or any part of the CWA or any SCWA. In the alternative to such County payments and arbitration procedures, the City may agree with the County to sell to the County any or all of said capital improvements except those built by the County. Except as expressly provided above in this Section 3, the County shall, during the life of this contract, take no action, nor in any manner aid or assist others in taking any action, except as may be required by the statutes of Ohio, to effect the construction or operation of any public water system in the CWA or in any SCWA or to secure a source of water supply for any consumers in the CWA or in any SCWA other than that provided for in this contract. For purposes of this Section 3 only, the term "County" as used herein shall be defined to mean and include any political subdivision served pursuant to this contract.

Section 4. Extension and Construction of Distribution Mains. Extensions of distribution mains in the CWA or in any SCWA

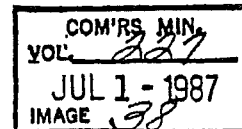


shall be constructed by the County Commissioners or other political subdivision served hereby in accordance with Chapter 6103, Revised Code of Ohio, or at the expense of the applicant for the extension with the approval of the County Commissioners or other political subdivision served hereby (as the case may be). In all cases, the pipe used shall not be less than eight (8) inches in diameter, except that six (6) inch pipe may be used when approved by the Director. Pipe and all other materials and the manner of installation shall be in accordance with the Cincinnati Rules and Regulations. No part of the cost of any such extension shall be paid by Cincinnati unless in a particular case the Director requires an extension to be of pipe of more than eight (8) inches in diameter, in which case Cincinnati shall pay the difference between the cost of installing an eight (8) inch pipe and the cost of installing the size of pipe specified by the Director. This cost differential shall be determined by the Director upon consideration of available cost data for similar projects over the most recent period for which data is available and any submitted comparison of the design engineer's cost differential based on the final drawings and specifications for the particular project involved. The cost of installing pipe shall include the cost of the pipe and other materials and all other expenses, including labor and overhead, necessarily incurred in installing such pipe to the satisfaction of the Director. No extension shall be made to serve a proposed subdivision unless such proposed subdivision has been approved by the proper authorities in accordance with the Ohio Revised Code Chapter 711 and all other pertinent provisions of Ohio law and, in the opinion of the Director, it can be adequately served, which opinion shall not be unreasonably withheld.

If approved by the Director, an extension of distribution mains in the CWA or in any SCWA may be installed in accordance with the provisions for water main extensions contained in Cincinnati Rules & Regulations.

In the case of extensions installed by the County or other political subdivision served hereby in which the City has agreed to participate in the cost thereof, the City's estimated portion of the cost shall be paid to the County or other political subdivision (as the case may be) after bids for the work are taken and prior to the execution of the contract for the work and shall be based on the unit prices bid multiplied by the estimated unit of work. The actual dollar amount of the City's portion of the cost shall be fixed after the completion of the work and, if necessary, additional payment by or refund to the City shall then be made. In cases where extensions of 12 and 16 inch pipe are to be made by a private person or corporation, the City's portion of the cost shall be paid after the completion of the extension to the satisfaction of the Director.

All building permit applications in the CWA or in any SCWA, other than single family residences in recently approved subdivisions, shall be submitted to the Cincinnati Water Works prior



to issuance of the permit, for a determination of whether water service is available, which determination shall not be unreasonably withheld.

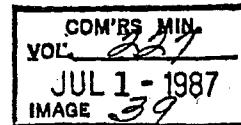
The County Commissioners or other political subdivision served hereby shall submit each proposed extension of a water main in the CWA or in any SCWA to the Director for determination of whether such extension can be made without materially affecting the water service of existing consumers, which determination shall not be unreasonably withheld.

#### Section 5. Capital Improvements.

a) General. For the purpose of providing an adequate supply of water for all areas served by the Cincinnati Water Works, Cincinnati will make necessary capital improvements, including but not limited to replacement or renovation of existing mains and other facilities (except other work related to distribution mains and/or appurtenances made as a result of street improvements in the CWA or in any SCWA and except for the upsizing of existing mains associated with street improvements and necessitated by new development) within or beyond the Cincinnati city limits in general accordance with a plan of capital improvements prepared by the City, subject to the procedures stated below in this Section 5. Nothing in this Section 5(a) is intended nor shall it be construed to alter the current practice and procedure employed by the Director in respect of requiring the participation of developers in the cost of any required upsizings of mains.

b) Report to County and Process for County Input Thereon. The City will submit an annual written report to the County identifying the capital improvements and the cost of each capital improvement made in the preceding year and the capital improvements' estimated costs, per improvement, for those proposed for the subsequent year. The County would respond to this report in a timely manner in writing with recommendations for any priority changes or additions to the list submitted by the City. The City will make a good faith effort to accommodate these recommendations. If the City were unable to accommodate any County recommendations, the City would provide written reasons therefor.

c) Arbitration Over Capital Improvements Entirely Located In The CWA or SCWA. For capital improvements located entirely within the CWA or any SCWA, or both, the parties hereto will submit to arbitration, pursuant to Section 22 hereof, those disagreements resulting from the process set forth above at Section 5(b) involving the need for, and/or cost (unless the improvement is to be made on a competitive bid basis), and/or priority of, capital improvements affecting the supply (transmission and distribution) of water in the CWA or any SCWA which benefit CWA or any SCWA customers, with projected costs of \$500,000 or more. Any capital improvements which are of sole benefit to City customers but which are located entirely within the CWA or any SCWA, or both, shall not be subject to arbitration.

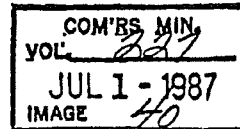


d) Arbitration Over Capital Improvements Located Within and Without the City Limits. Disagreements resulting from the process set forth above at Section 5(b) involving the need for, and/or cost (unless the improvement is to be made on a competitive bid basis), and/or priority of, capital improvements affecting the supply (transmission and distribution) of water in the CWA or any SCWA 1) which are located both inside and outside of the City or which are located exclusively inside the City limits, and 2) which are of equal or greater benefit to CWA and/or any SCWA customers as compared to City customers, and 3) which have projected costs of \$500,000 or more, shall be submitted to arbitration as provided in Section 5(c) and 22 hereof.

e) Capital Improvements Not Subject to Arbitration. Anything in Sections 5 (c) and (d), to the contrary notwithstanding, since the Cincinnati Water Works is subject to strict federal, state, and local regulations regarding water quality and water treatment practices, and since the City is ultimately responsible for water quality, capital improvements deemed in good faith by the City to be associated with the quality of water, water production or treatment facilities, or water quality analysis equipment and facilities or decisions involving treatment techniques, shall not be subject to arbitration. In addition, capital improvements shall not be subject to arbitration if they are deemed in good faith by the City to be necessary (1) for the protection of health, and/or lives, and/or property including, but not limited to the renovation or replacement of deteriorating facilities and appurtenances or (2) to ensure compliance with applicable laws and regulations.

g) Time and Other Conditions of Commencement of Arbitration on Capital Improvement Issues that are Provided for in this Section 5. The review and arbitration process will commence from and after January 1, 1988 and shall exclude all capital improvements as listed in Appendix C attached hereto, it being understood and agreed that the Cornell Complex project shall proceed as expeditiously as possible as a high priority in accordance with the completed design. All arbitral processes comprehended by Sections 5(c) and (d) shall be finalized prior to commencement of the improvements over which disagreements exist, unless otherwise agreed.

Section 6. Material and Workmanship. All materials and workmanship entering into the water system in the CWA or in any SCWA, including mains, reservoirs, tanks, pumping stations, and other works, shall conform to the engineering standards of design used for the Cincinnati water system and the Cincinnati Rules and Regulations, which Regulations shall operate no differently for materials and workmanship entering into the water system in the CWA or in any SCWA than for materials and workmanship entering into the water system in the City, and shall be subject to approval and inspection of the Director or his duly authorized representative.

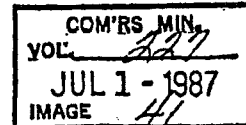


Section 7. Maintenance and Operation. The City shall maintain and operate the City Water System in the CWA, and in any SCWA, and shall take care of making repairs and replacements. However, where such repairs and replacements are necessitated as the result of negligence on the part of the County or other political subdivision being served under this contract, or their employees or contractor, the County or other political subdivision being served under this contract (as the case may be) shall reimburse the City for all related costs. In the case of all distribution mains installed in the CWA or in any SCWA on an assessment basis, the contractor's performance bond shall be for the benefit of the City in sufficient amount to cover the costs of any and all maintenance required on said mains during a one-year period beginning on the date of acceptance of these mains into the City Water System by the City and in accordance with the Cincinnati Rules and Regulations.

Section 8. Fire Hydrants. Fire hydrants installed after the effective date of this contract shall conform to Cincinnati Rules and Regulations, unless otherwise agreed by the City and County or other political subdivision served hereby. Fire hydrants within the CWA or in any SCWA shall be maintained, repaired and replaced by the County Commissioners or other political subdivision served hereby (as the case may be). For the purpose of the protection of the water system, all installation, repair, maintenance, replacement, or removal of fire hydrants shall be subject to inspection by the Director or his duly authorized representative, at no cost to the County or other political subdivision served hereby. Any other expenses incurred by Cincinnati in connection with any installation, repair, maintenance, replacement, or removal of fire hydrants performed by the City on an emergency basis shall be paid by the County Commissioners or other political subdivision served hereby (as the case may be) on the basis of cost including overhead as calculated annually by the City for the Water Works, which costs shall be computed the same for charges to the County or other political subdivision served hereby (as the case may be) as for charges to the City or its other departments. In the case of fire, fire hydrants may be used by any municipal fire department or by any other fire company organized according to statute. The respective fire officials will provide to the Director quarterly an estimate of the amount of water used by them for fire purposes. No water shall be taken from fire hydrants for other than fire purposes except in accordance with Section 15 of this contract.

Section 9. Water Service Branches. Water service branches, charges therefor, their installation, ownership and maintenance shall be in accordance with the Cincinnati Rules and Regulations, which Regulations shall operate no differently for persons located in the City than for those located in the CWA or any SCWA.

Section 10. Water Meters. Water meters, charges therefor, their installation, ownership and maintenance shall be in accordance



with Cincinnati Rules and Regulations, which Regulations shall operate no differently for persons located in the City than for those located in the CWA or any SCWA.

Section 11. Billing and Collecting. In the CWA and in any SCWA, Cincinnati will read all meters, print and mail bills to the addresses given, collect bills and audit accounts and require payment, all in accordance with Cincinnati Rules and Regulations, which Regulations shall operate no differently for persons located in the City than for those located in the CWA or any SCWA.

Section 12. Water Rates. The Council of the City of Cincinnati shall from time to time fix by ordinance the charges for water supplied to consumers in the CWA and in any SCWA. Such charges in the CWA shall reasonably reflect the following schedule of differentials in water rates between City and CWA customers:

From the date of this agreement and for six months hereafter, County rates shall be 1.55 times City rates.

For the next two-year period (Jan 1, 1988 - Dec. 31, 1989).	County rates shall be 1.43 times City rates.
For the next two-year period (Jan 1, 1990 - Dec. 31, 1991).	County rates shall be 1.37 times City rates.
For the next two-year period (Jan 1, 1992 - Dec. 31, 1993).	County rates shall be 1.33 times City rates.
For the next four-year period (Jan 1, 1994 - Dec. 31, 1997).	County rates shall be 1.30 times City rates.
For the next ten-year period (Jan 1, 1998 - Dec. 31, 2007).	County rates shall be 1.26 times City rates.
For the next ten-year period (Jan 1, 2008 - Dec. 31, 2017).	County rates shall be 1.25 times City rates.

Differentials applicable to customers in any SCWA shall be in accordance with written agreements related thereto.

There shall be no arbitration of water rates in the CWA or in any SCWA during the term of this contract.

Section 13. Obligation of Owners of Property Served. Any owner of real estate premises in the CWA or in any SCWA, which is supplied with water pursuant to this contract, shall be considered as accepting the provisions of this contract, Cincinnati Rules and Regulations to the extent the same shall be applicable, and as agreeing, in particular, to be liable for all water service charges for such premises, whether the accounts for such premises are carried in the name of such owner or in the name of tenants or other persons.

Section 14. Right to Use. Cincinnati shall have the right to use all existing easements and all road rights-of-way in the CWA and in any SCWA required for the construction, operation, maintenance and replacement of water mains or other appurtenances. Any construction, maintenance and replacement work performed under this contract by the City shall require a County Engineer's permit and such work shall conform to the requirements of "Hamilton County Driveway Regulations and Pavement and/or Right of Way Openings Provisions for the Unincorporated Areas of Hamilton County", or to



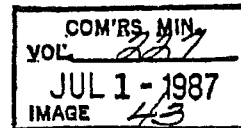
the functional equivalent of such permit and requirements that may apply in incorporated areas in which work is performed by the City hereunder. The City shall not, however, be required to make payment of any permit, license fees or taxes of any kind, except as may be required by State law. When required by the City, the County Commissioners or other political subdivision served hereby shall apply their power of eminent domain in the CWA or in any SCWA to acquire necessary easements or ownership of property to be used for Cincinnati Water Works capital improvements. However, where the County Commissioners or other political subdivision served hereby are required pursuant to this Section to apply their power of eminent domain to acquire necessary easements or ownership of property, the City shall reimburse the County or other political subdivision served hereby (as the case may be) for the costs thereof.

Section 15. Use of Water from Unmetered Sources. The use of water for purposes other than for fighting fires, as indicated in Section 8, in the CWA or any SCWA shall be subject to Cincinnati Rules and Regulations.

Section 16. Furnishing of Detailed Drawings. Each party to this agreement shall furnish to the other reproducible detailed drawings showing the location of all pipes, special castings, valves and fire hydrants installed under their responsibility.

Section 17. Cincinnati Rules Applicable. Unless otherwise specifically provided for herein, the Director is authorized to enforce in the CWA and in any SCWA all ordinances, laws, standards, specifications, rules and regulations now or hereafter lawfully in effect in Cincinnati and/or the CWA and/or any SCWA to the extent that the same shall be applicable. The City Manager may at any time change rules or regulations. Except as expressly allowed by this contract, or except those regulations which are directly related to water rates established pursuant to this contract, no regulations different from those applicable within the corporate limits of the City shall be put into effect for the CWA or any SCWA by the City Manager, the Director, or the City without the written approval of the County Commissioners.

Section 18. Supply of Water Not Guaranteed. Water furnished under the terms and conditions of this agreement is done pursuant to Article 18, Sections 4 and 6 of the Constitution of the State of Ohio and laws enacted pursuant thereto authorizing the sale of surplus water by a municipality. It is specifically agreed and understood that the supply of water to the CWA or to any SCWA is at all times dependent upon the existence of a surplus product of water beyond the amount of water needed for consumers located within the City. Except a) where a surplus does not exist, b) in the case of breaks in mains, serious damage to reservoirs or pumping equipment, or other emergencies or necessities (in which case the water may be shut off without notice), or c) where an insufficient supply of water exists, the City will use its best efforts to provide a



potable, stable, and adequate supply of water to consumers in the CWA and in any SCWA. As between Hamilton County and other political subdivisions furnished standby or other water service by Cincinnati, there shall be no prior rights to service by reason of earlier date of contract; however, except as may be required by law, the City shall allocate any water on a commercially reasonable basis among the City, County, and all other political subdivisions served by the City in the event of a shortage of water. The City shall not be liable for any damages for its failure to furnish water except where such failures result from its breach of this agreement, but in no event shall the City be liable for consequential or special damages by reason of any failure to furnish water, it being understood that the supply of water is not guaranteed to consumers served hereby or to consumers residing within the City limits.

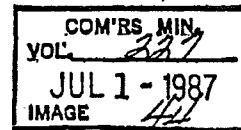
Section 19. Water to be Used in CWA or in any SCWA. In recognition of the need to properly plan for an adequate supply of finished water for the customers of the Cincinnati Water Works, water supplied in accordance with this contract shall be used only in the CWA or in any SCWA unless the expressed written consent of the City is obtained.

Section 20. Detachment and Annexation of CWA. Should any part of the CWA or any SCWA be annexed to Cincinnati, it shall become part of the City water system on the same basis as other parts of Cincinnati and shall cease to be governed by this contract.

Section 21. Water Service for Additional Areas. Areas within Hamilton County not included in the CWA may be made part of the CWA or may become a SCWA upon written application by the County Commissioners and other appropriate officials of the political subdivision involved and with the approval of City Council. The area so included and any special rates, charges or conditions that apply will be incorporated into this contract by amendment thereto. If the City Council refuses to serve such area, the County may submit the matter to an arbitration board set up as provided in Section 22 as to the necessity and costs of such improvements. If the County prevails, the City shall be obligated to service such additional areas in accordance with the arbitrators' decision, provided, however, that:

a) The City shall not be obligated to extend such service if it cannot finance such improvements through cash financing or bond financing at rates reasonable in light of the bond rating and bonding capacity of the City, and prevailing interest rates.

b) The decision respecting whether the City can finance such improvements rests solely within the sound discretion of the City Finance Director. However, approval of said financing shall not be unreasonably withheld.



Section 22. Arbitration. Should any material dispute arise during the term of this contract which is not addressed or contemplated by the contract, the controversy shall be investigated by the City Manager and the County Administrator in accordance with the general purpose of this contract. Should the parties be unable to agree, the matter shall be submitted to arbitration upon written demand of the party seeking same mailed to the other party and specifying the issues on which arbitration is sought. The arbitration procedure for any dispute which is arbitrable under the terms of this contract shall be exclusive of other remedies, and shall be conducted as follows. A panel of three members who are in the business of providing consulting engineering services to the water works industry shall be selected to arbitrate the issue. One panelist shall be chosen by each the City and County, and the third by the other two. The decision of the panel shall be final. Prior to the arbitration, the parties shall provide to one another, within thirty days of a written request made therefor, any requested documentary material that is relevant to the issues submitted to arbitration and that would be properly producible in a request made pursuant to Ohio Rule of Civil Procedure 34. In all other respects, the proceedings shall be conducted in accordance with the rules of the American Arbitration Association as then in effect. Each party to the arbitration shall bear its own costs of arbitration. However, the arbitrators shall, upon motion of the prevailing party, award the prevailing party its costs, including reasonable attorneys fees and expert witness fees, in the event the arbitrators determine that the request for arbitration was not made in good faith or was made for an improper purpose such as to harass or cause unnecessary delay.

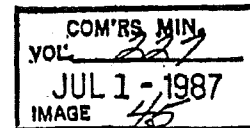
Section 23. Term of Contract. This contract shall be in force for the period beginning on the date hereof and ending December 31, 2017. All contracts supplementary hereto or in extension hereof shall terminate on or before said date.

Section 24. Adoption by Political Subdivisions. Legislative authorities of political subdivisions served pursuant to this agreement shall pass legislation adopting the terms and conditions of this contract.

Section 25. Water Task Force. During the twenty-eighth year of this contract, the City and County shall select an equal number of community representatives to serve on a Water Task Force. The Task Force shall study and make nonbinding recommendations to the City and County concerning:

a) plans for the future development of the water system;

b) the CWW's then-current and foreseeable cost of operations and maintenance, capital improvements, debt retirement, and other costs, if any;



c) alternative methods of allocating responsibilities for payment of CWW's costs as between different classes of water customers;

d) the ascertainment of a fair basis of determining future water rates as between City and non-City water customers; and

e) such other items as may be agreed, including provisions for technical assistance to the Task Force, in scope of study discussions between the parties hereto to be held during the two years prior to the commencement of the Task Force's work.

IN WITNESS WHEREOF, the City of Cincinnati, by its City Manager, as authorized by Ordinance #278-1987 passed by Council on July 1, 1987 and the Board of County Commissioners authorized by Resolution adopted on July 1, 1987 have hereunto set their hands as of the day and year first mentioned above.

RECOMMENDED:

Richard Miller  
Richard Miller, Director  
Cincinnati Water Works

CITY OF CINCINNATI:

Scott Johnson  
Scott Johnson  
City Manager

APPROVED AS TO FORM:

William B. Bell  
Assistant City Solicitor

RECOMMENDED:

Thomas W. Wenz  
Thomas W. Wenz  
County Administrator

THE BOARD OF COUNTY COMMISSIONERS:

Joseph M. DeCourcy  
Joseph M. DeCourcy

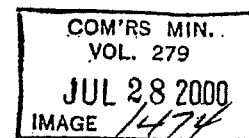
Robert A. Taft II  
Robert A. Taft II

APPROVED AS TO FORM

Hamilton County Prosecutor  
Hamilton County Prosecutor

Norman A. Murdock  
Norman A. Murdock

Exhibit C  
Seventh Amendment to GCWW Water Contract



## SEVENTH AMENDMENT TO COUNTY WATER AREA CONTRACT

THIS AMENDMENT, made and entered into this 28<sup>th</sup> day of July, 2000, by and between the City of Cincinnati ("Cincinnati"), acting through its City Manager, and the Board of County Commissioners of Hamilton County, Ohio ("County Commissioners"), acting pursuant to Chapters 307 and 6103 of the Ohio Revised Code;

### WITNESSETH:

WHEREAS, the City of Cincinnati and the County of Hamilton entered into the "County Water Area Contract" dated July 1, 1987, providing for the City to supply surplus water and water service within a portion of Hamilton County defined in the County Water Area Contract as the "County Water Area" (CWA); and

WHEREAS, a First Amendment to the County Water Area Contract, dated October 15, 1990, revised the boundaries of the County Water Area; and

WHEREAS, a Second Amendment to the County Water Area Contract, dated October 15, 1990, established Supplemental County Water Area 1 in Miami Township; and

WHEREAS, a Third Amendment to the County Water Area Contract dated May 5, 1993, amended the County Water Area Contract to include an area in Symmes Township; and

WHEREAS, a Fourth Amendment to the County Water Area Contract, dated November 17, 1993, provided for the collection of monies by the City to be used for the expansion and extension of the CWA west of the Great Miami River and other areas within the unincorporated CWA pursuant to agreement to be executed by the City and the County prior to December 31, 1994; and

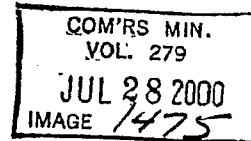
WHEREAS, a Fifth Amendment to the County Water Area Contract dated September 7, 1994, provided for water service to areas west of the Great Miami River known as Supplemental County Water Area 2 (SCWA-2); and

WHEREAS, a Sixth Amendment to the County Water Area Contract dated January 27, 1995 provided for Cincinnati retail water service to an area of Sycamore Township, Hamilton County, Ohio Supplemental County Water Area 3 (SCWA-3) that had previously been provided water service by the City of Reading, Ohio; and

WHEREAS, the City of Cincinnati and the County of Hamilton desire to create Supplemental County Water Area 4 (SCWA-4), located in Harrison and Whitewater Townships; and

WHEREAS, the City of Cincinnati and the County of Hamilton now desire to create Appendix F to the County Water Contract to reflect new City of Cincinnati water service areas in Harrison and Whitewater Townships; and

NOW, THEREFORE, for and in consideration of the mutual promises covenants, and agreements contained in the attached, the parties hereto agree to amend the County Water Area Contract, in the following respects and those respects only, all other terms and conditions of the County Water Area Contract, as previously amended, to remain in full force and effect:



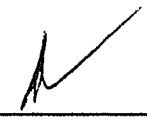
1. The area depicted on Appendix F, attached hereto and made a part hereof by this reference, is hereby agreed to and adopted by the City and The County as Supplemental County Water Area (SCWA-4). Water service to the SCWA-4 shall be provided consistent with all terms and conditions of the County Water Area Contract, as now or hereafter amended.

IN WITNESS WHEREOF, the City of Cincinnati, by its City Manager, as authorized by Ordinance No. 424-2000, passed on December 6, 2000, and the Hamilton County Board of Commissioners as authorized by Resolution adopted July 28, 2000, have hereunto set their hands as of the date first written above.


RECOMMENDED BY:

CITY OF CINCINNATI

  
David E. Rager, Director  
Cincinnati Water Works

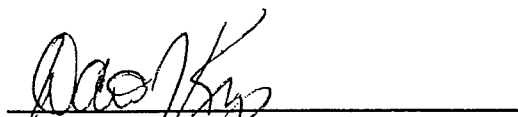
By:   
John F. Shirey  
City Manager

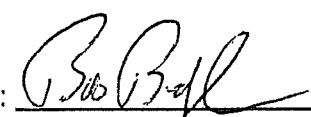
APPROVED AS TO FORM:

  
Assistant City Solicitor

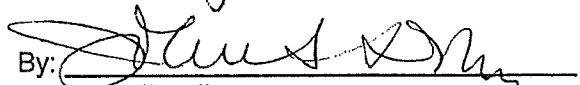
RECOMMENDED BY:

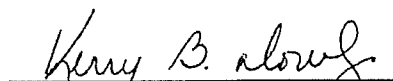
BOARD OF COUNTY COMMISSIONERS  
HAMILTON COUNTY, OHIO


  
David J. Krings  
County Administrator

By:   
Bob Bedinghaus

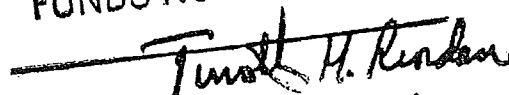
APPROVED AS TO FORM:

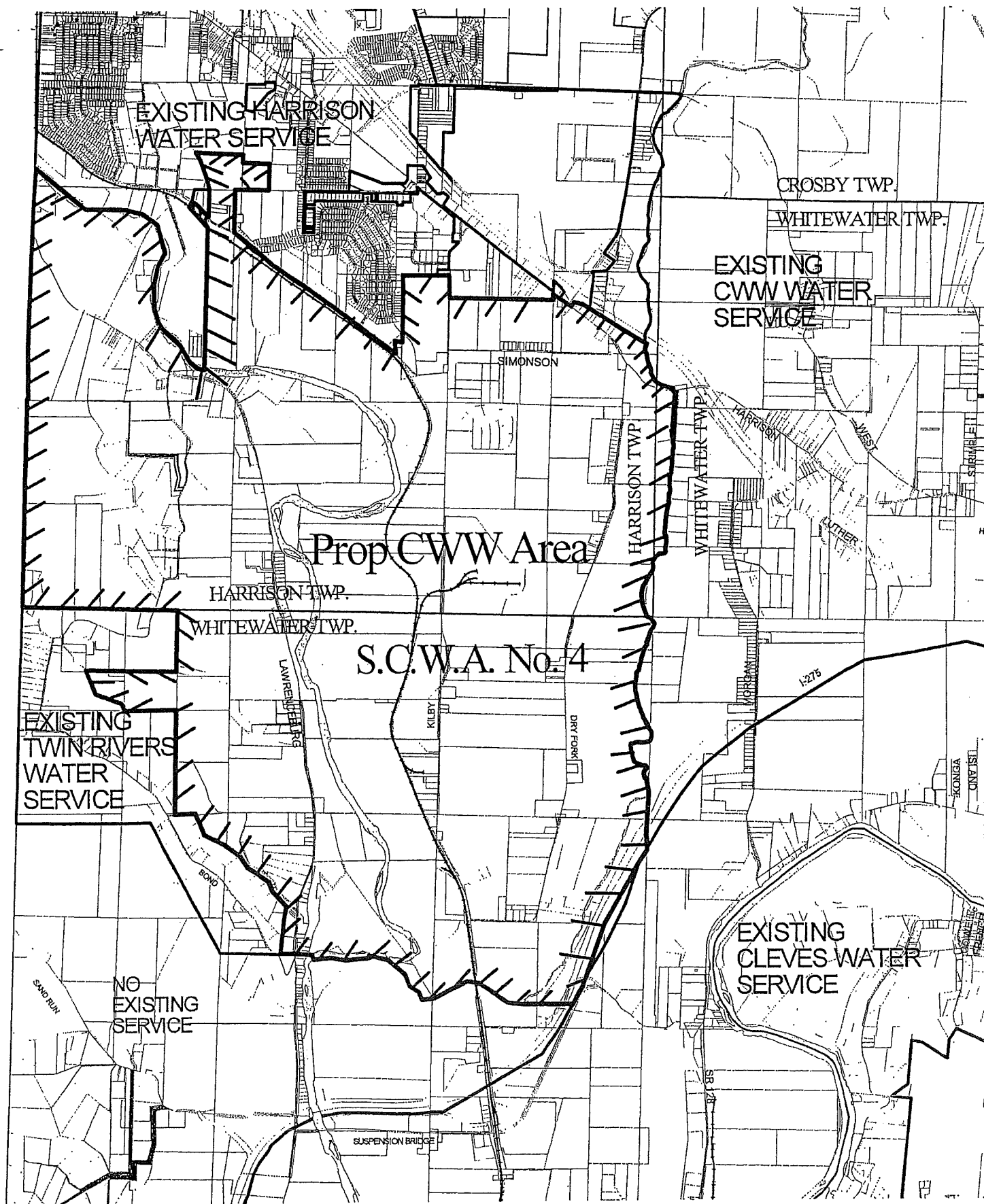
By:   
John Dowlin

  
Assistant Prosecuting Attorney  
Hamilton County, Ohio

By:   
Tom Neyer, Jr.

CERTIFICATION OF  
FUNDS NOT REQUIRED

  
JAN 05 2001



Appendix F  
S.C.W.A. No. 4  
2000

COM'RS MIN.  
VOL. 279  
JUL 28 2000  
IMAGE 14471

Exhibit D  
Map of GCWW/Cleves/WTRSD Service Areas within  
Whitewater Township



Exhibit E  
Cleves Water Contract



# County of Hamilton

DEPARTMENT OF PLANNING AND DEVELOPMENT

PLANNING / ZONING AND COMMUNITY DEVELOPMENT

BOARD OF COUNTY COMMISSIONERS  
Gregory Hartmann  
Chris Monzel  
Todd Portune

138 EAST COURT STREET, ROOM 801  
CINCINNATI, OHIO 45202  
PHONE: (513) 946-4500  
FAX: (513) 946-4475

COUNTY ADMINISTRATOR  
Christian Sigman

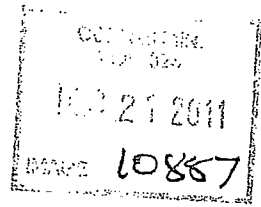
GARY R. VAN HART, P.E.  
DIRECTOR

Planning  
Todd M. Kinskey, AICP

Zoning  
Bryan Snyder, AICP

Community Development  
Susan S. Walsh

Building Inspections  
Tonia Edwards, AIA, CBO, LEED, AP



## Memo

RECEIVED

**To:** Hamilton County Commissioners  
**From:** Gary Van Hart  
**CC:** Christian Sigman  
Jeff Aluotto  
**Date:** 12/08/2011  
**Re:** Amendment to Cleves Water Contract

JAN 10 2012

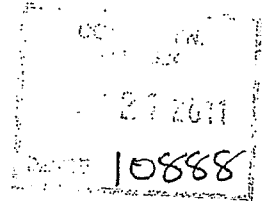
Hamilton County  
Planning & Development

Enclosed is a copy of a resolution modifying the Cleves Water Contract to include an area, within Whitewater Township, previously not within any existing water provider's contract. Following meetings with Whitewater Township, Cleves Water Works and Greater Cincinnati Water Works, it was agreed that Cleves Water Works is the best choice to provide water service to this area.

The resolution will be presented at your December 21, 2011 Public Meeting

On motion of Mr. Hartmann, seconded by Mr. Monzel the following resolution was adopted.

**RESOLUTION ADOPTING  
FIRST AMENDMENT TO THE  
COUNTY WATER AREA CONTRACT  
Cleves Supplemental County Water Area,  
(CSCWA No. 1)**



**BY THE BOARD:**

**WHEREAS**, the Village of Cleves and recommended by the Cleves Board of Public Affairs (BPA) and the County of Hamilton entered into the "County Water Area Contract" dated March 27, 1991, providing for the Village to supply surplus water and water service within portions of Hamilton County defined in the County Water Area Contract as the "County Water Area" (CWA); and

**WHEREAS**, the Village of Cleves and the County of Hamilton desire to amend the County Water Area Contract, to allow the Village of Cleves to provide water to supplemental area in Whitewater Township, Ohio currently designated as "Undefined Area";

**NOW THEREFORE, BE IT RESOLVED**, for and in consideration of the mutual promises, covenants, and agreements contained herein, the parties hereto agree to amend the County Water Area Contract, in the following respects and those respects only, all other terms and full conditions of the County Water Area Contract to remain in full force and effect; and

**BE IT FURTHER RESOLVED**, that the area depicted on Appendix A as CSCWA No. 1, attached hereto and made a part hereof by this reference is hereby agreed to and adopted by the Village of Cleves and the Board of the County Commissioners, Hamilton County, Ohio as modifying the Cleves Water Service Area in Whitewater Township, Hamilton County, Ohio.

**ADOPTED** at a regular meeting of the Board of Country Commissioners of Hamilton County, Ohio, this 21st day of December, 2011.

Mr. Hartman YES Mr. Monzel YES Mr. Portune YES

10889

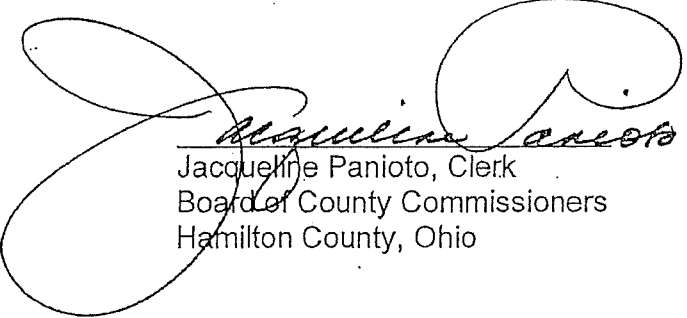
CERTIFICATE OF THE CLERK

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution adopted by the Board of County Commissioners in session this

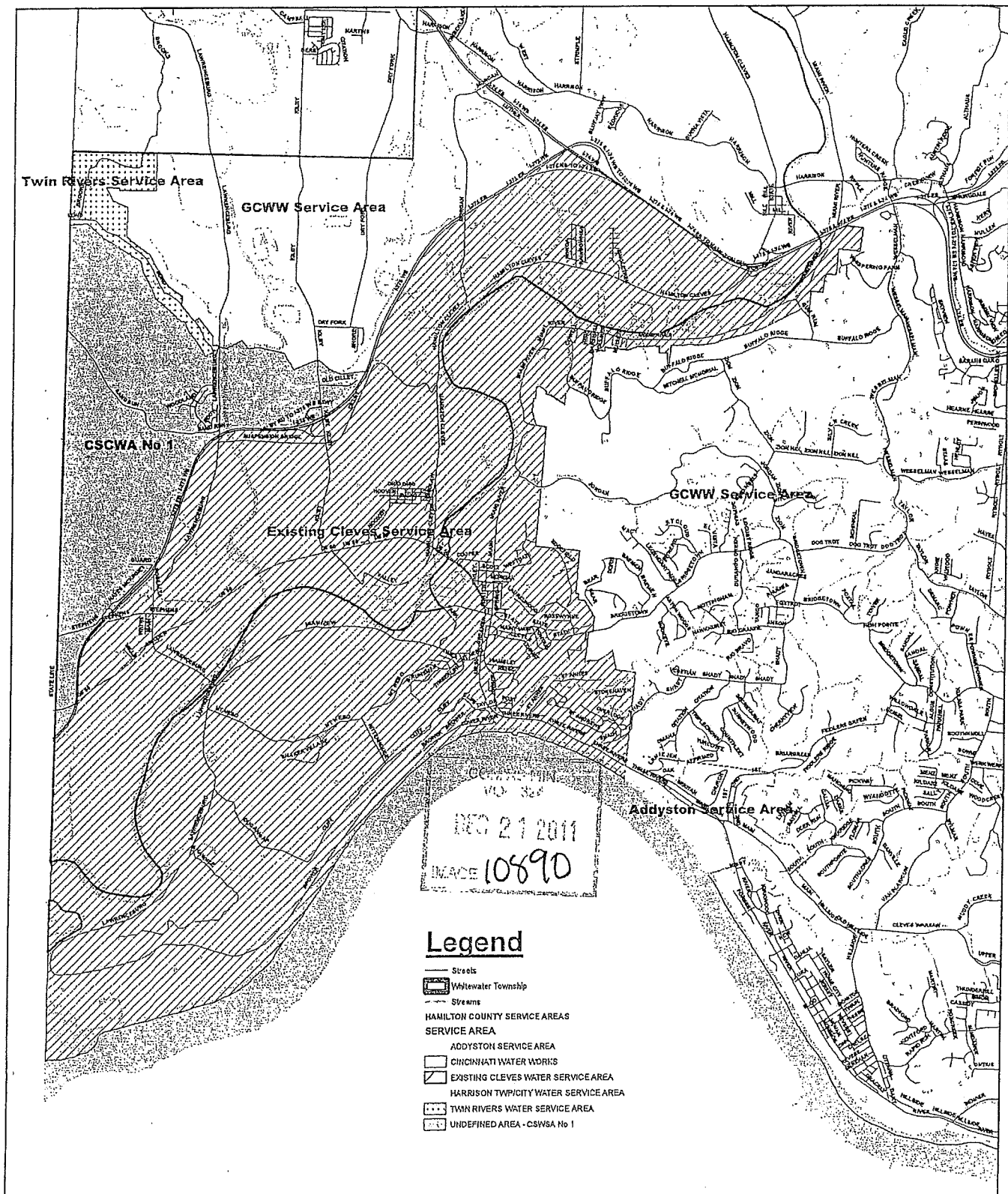
21st day of December, 2011.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the office of County Commissioners of Hamilton County, Ohio this

21st day of December, 2011.

  
Jacqueline Panioto, Clerk  
Board of County Commissioners  
Hamilton County, Ohio

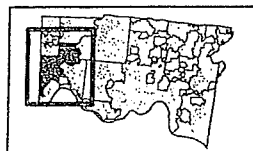
# APPENDIX A - UNDEFINED AREA ASSIGNED TO CLEVES SERVICE AREA



0 2,500 5,000 10,000 Feet 1 inch = 6,250 feet

Date: Thursday, October 27, 2011

Map prepared by Hamilton County Department of Planning and Development, la



KEY MAP



# Village of Cleves

Office of Board of Public Affairs

3 South Miami Avenue  
Cleves, Ohio 45002

Phone: (513) 941-3490  
Fax: (513) 941-7995

December 2, 2011

RECEIVED

DEC 12 2011

HAMILTON COUNTY  
PLANNING & DEVELOPMENT

Mr. Gary Van Hart  
Planning and Development Director  
Hamilton County, Ohio  
Planning and Development Department  
138 East Court Street, Room 801  
Cincinnati, Ohio 45202

Dear Mr. Van Hart

Re: Two Remaining Undefined Water Services Areas in Whitewater Township  
Hamilton County, Ohio

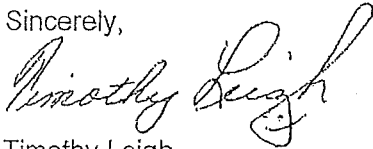
On behalf of the Cleves BPA we request that the subject undefined water service areas in Whitewater Township be placed under the jurisdiction of the Cleves Water Works Supplemental County Water Area in accordance with provisions of our existing County Cleves water contract.

The Cleves Water Works has surplus water available from the Cleves Kilby Road water treatment facility. This facility is an approved OEPA public water system and with capacity to provide water supply to these two areas. This existing water treatment facility has a rated capacity of 5 MGD.

These areas are contiguous with other Whitewater Township areas that are part of the Cleves Water Works service area. A Cleves general water plan for potential water service has been provided to your office.

Our water engineer, Mr. Dan Schaefer P.E. with Brandstetter Carroll Inc. has coordinated with you, the Greater Cincinnati Water Works as well as Whitewater Township trustees who all have indicated their support for these two areas to be served by the Cleves Water Works. The OEPA is supportive as well of a Cleves BPA water supply to these undefined service areas.

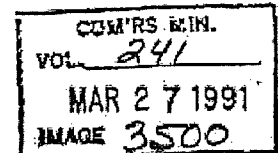
Sincerely,



Timothy Leigh  
President  
Cleves Board of Public Affairs

Cc. Eric Winhusen, Superintendent of Cleves Water Works  
Dan Schaefer, Brandstetter Carroll Inc.

COUNTY WATER AREA CONTRACT



MARCH THIS CONTRACT, entered into as of this 27<sup>th</sup> day of ~~August~~, 1990,<sup>91</sup> between the Village of Cleves, hereinafter designated "Cleves," acting through its Mayor on the advice and counsel of its Village Council and Board of Public Affairs, and the Board of County Commissioners of Hamilton County, Ohio, hereinafter designated "County Commissioners," acting pursuant to Chapters 307 and 6103 of the Revised Code of Ohio,

W I T N E S S E T H :

WHEREAS, Cleves has been supplying water to certain portions of unincorporated territory outside its municipal limits pursuant to a contract entered into on August 11, 1976 by and between Cleves and the County Commissioners; and

WHEREAS, prior to and during the term of said contract, a water system consisting of treatment, transmission, supply and distribution water mains and related facilities in the County Water Area has been constructed; and

WHEREAS, the County Commissioners desire to continue to receive surplus water and water service from Cleves on behalf of the consumers which they represent pursuant to this Contract, and Cleves is willing to sell surplus water to consumers in said County Water Area subject to the terms and conditions of this agreement; and

WHEREAS, the County Commissioners pursuant to Chapters 307 and 6103 of the Ohio Revised Code have the power to contract for the purchase of surplus water and water service from Cleves; and Cleves, pursuant to the Constitution of the State of Ohio and the relevant provisions of the Ohio Revised Code, and the Cleves Municipal Code and Charter, has the power to sell such surplus water and water service to the County Commissioners;

NOW THEREFORE, in consideration of the aforementioned premises, and the terms and conditions recited hereto, Cleves and the County Commissioners do hereby agree as follows:

Section 1. Definitions. For the purposes of this Contract, the terms defined in this section shall have the meanings therein ascribed to them, unless, in any particular part of the Contract, a different meaning shall be clearly indicated.

a) Village Water System. The water supply, production, treatment, transmission, storage, distribution and related facilities owned and/or operated by Cleves for itself, its inhabitants, the County Water Area, any Supplemental County Water Area, and for all other areas served, in accordance with powers conferred upon municipalities by the Constitution and the laws of the State of Ohio.

b) County Water Area (Hereinafter sometimes referred to as the CWA). The County Water Area (CWA) means the area outside of the corporate limits of Cleves and consisting of the unincorporated territory of Hamilton County lying within the shaded area outlined on the plat attached hereto and made a part hereof and designated Appendix A, and such additional areas as the parties may agree to.

c) Supplemental County Water Area (Hereinafter sometimes referred to as SCWA). The parties may agree to allow Cleves to service additional unincorporated areas outside of the corporate limits of Cleves but within Hamilton County under terms and conditions which remain to be negotiated as hereunder provided. Each such area shall be known as a Supplemental County Water Area (SCWA) from and after the time when service is effected by Cleves.

d) Distribution Main. Any main intended primarily to serve properties abutting the street or road in which it is laid.

e) Transmission Main. Any main not less than 12 inches in diameter, intended solely to carry water for the supply of distribution mains.

f) Dual Purpose Main. Water mains, 12 inches and 16 inches in diameter, which are intended for the dual purpose of transmission and distribution of water.

g) Water. Water means surplus water not needed by Cleves for its inhabitants.

h) Superintendent. The Superintendent of the Water Works of Cleves.

i) Code of Ordinances. The Code of Ordinances of Cleves.

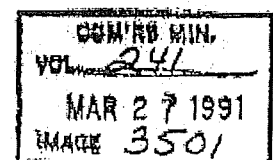
j) Village. Village of Cleves, Ohio.

k) County. County of Hamilton, Ohio.

l) Cleves Rules and Regulations. The ordinances, laws, standards, specifications, rules and regulations governing the Cleves Water Works.

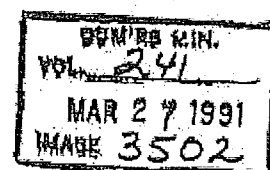
Section 2. Purpose of Contract. The purpose of this Contract is to establish the terms and conditions under which Cleves will provide water service during the Contract period to consumers in the CWA or any SCWA.

Section 3. Obligations of County Commissioners. The construction of a water system and appurtenances to serve



customers in the CWA or any SCWA is a significant expense to Cleves, and revenues from CWA customers are needed to service that expense during the term of this Contract. The County will not furnish or contract with others to furnish, during the term of this Contract, water to anyone within the CWA or any SCWA, except where the Village is incapable of doing so by reason of the occurrences stated in Sections 18 and 26 hereof. The County may furnish water, or contract with others to furnish water, to persons located outside the CWA or any SCWA, and may utilize land within the CWA or any SCWA for such purpose. The County may also, during the term of this Contract, contract with others or itself undertake to construct its own water system to service all or any part of the CWA or any SCWA, provided, however, that operation thereof shall be effective only on termination of this Contract. Except as expressly provided above in this Section 3, the County shall during the life of this Contract, take no action, nor in any manner aid or assist others in taking any action, except as may be required by the statutes of Ohio, to effect the construction or operation of any public water system in the CWA or in any SCWA or to secure a source of water supply for any consumers in the CWA or in any SCWA other than that provided for in this Contract.

Section 4. Extension and Construction of Distribution Mains. Extensions of distribution mains in the CWA or in any SCWA shall be constructed by the County Commissioners or other political subdivision served hereby in accordance with Chapter 6103, Revised Code of Ohio, or at the expense of the applicant for the extension with the approval of the County Commissioners or other political subdivision served hereby (as the case may be). In all cases, the pipe used shall not be less than eight inches in diameter, except that six-inch pipe may be used when approved by the Director. Pipe and all other materials and the manner of installation shall be in accordance with the Cleves Rules and Regulations. No part of the cost of any such extension shall be paid by Cleves unless in a particular case the Superintendent requires an extension to be of pipe of more than eight inches in diameter, in which case Cleves shall pay the difference between the cost of installing an eight-inch pipe and the cost of installing the size of pipe specified by the Superintendent. This cost differential shall be determined by the Superintendent upon consideration of available cost data for similar projects over the most recent period for which data is available and any submitted comparison of the design engineer's cost differential based on the final drawings and specifications for the particular project involved. The cost of installing pipe shall include the cost of the pipe and other materials and all other expenses, including labor and overhead, necessarily incurred in installing such pipe to the satisfaction of the Superintendent. No extension shall be made to serve a proposed subdivision unless such proposed subdivision has been approved by the proper authorities in accordance with the Ohio Revised Code



Chapter 711 and all other pertinent provisions of Ohio law and, in the opinion of the Superintendent, it can be adequately served, which opinion shall not be unreasonably withheld.

If approved by the Superintendent, an extension of distribution mains in the CWA or in any SCWA may be installed in accordance with the provisions for water main extensions contained in Cleves Rules and Regulations.

In the case of extensions installed by the County or other political subdivision served hereby in which Cleves has agreed to participate in the cost thereof, Cleves' estimated portion of the cost shall be paid to the County or other political subdivision (as the case may be) after bids for the work are taken and prior to the execution of the contract for the work and shall be based on the unit prices bid multiplied by the estimated unit of work. The actual dollar amount of Cleves' portion of the cost shall be fixed after the completion of the work and, if necessary, additional payment by or refund to Cleves shall then be made. In cases where extensions of twelve- and 16-inch pipe are to be made by a private person or corporation, Cleves' portion of the cost shall be paid after the completion of the extension to the satisfaction of the Superintendent.

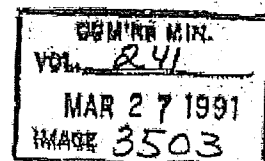
All building permit applications in the CWA or in any SCWA, other than single family residences in recently approved subdivisions, shall be submitted to the Cleves Water Works prior to issuance of the permit, for a determination of whether water service is available, which determination shall not be unreasonably withheld.

The County Commissioners or other political subdivision served hereby shall submit each proposed extension of a water main in the CWA or in any SCWA to the Superintendent for determination of whether such extension can be made without materially affecting the water service of existing consumers, which determination shall not be unreasonably withheld.

#### Section 5. Capital Improvements

a) General. For the purpose of providing an adequate supply of water for all areas served by the Cleves Water Works, Cleves will make necessary capital improvements, including but not limited to replacement or renovation of existing mains and other facilities within or beyond the Cleves Village limits in general accordance with a plan of capital improvements prepared by the Village, subject to the procedures stated below in this Section 5.

b) Report to County and Process for County Input Thereon. Cleves will submit an annual written report to the County identifying the capital improvements and the cost of each

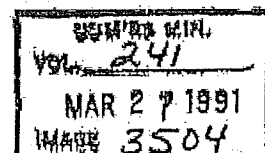


capital improvement made in the preceding year and the capital improvements' estimated costs, per improvement, for those proposed for the subsequent year. The County would respond to this report in a timely manner in writing with recommendations for any priority changes or additions to the list submitted by Cleves. Cleves will make a good faith effort to accommodate these recommendations. If Cleves were unable to accommodate any County recommendations, Cleves would provide written reasons therefor.

c) Currently Contemplated Capital Improvements; County to Transfer Bridgetown Road Tank/Property. Attached hereto as Appendix B is a listing of those capital improvements projects which Cleves presently intends to undertake for the purpose of improving its distribution system within the CWA and improving fire protection therein. For the purpose of assisting Cleves in supplying water to its residents and to those within the CWA, Hamilton County shall, within six months of the execution of this Agreement, deed to Cleves the tract of land more particularly described in Appendix C hereto, and the storage tank therein, as is, and with no warranties. Cleves shall permit Hamilton County or its designee to have the rights, for so long as such tank is used by Cleves, to use such tank and the water stored therein on an emergency basis for the purpose of supplying water to residents of Hamilton County.

Section 6. Material and Workmanship. All materials and workmanship entering into the water system in the CWA or in any SCWA, including mains, reservoirs, tanks, pumping stations, and other works, shall conform to the engineering standards of design used for the Cleves water system and the Cleves Rules and Regulations, which Regulations shall operate no differently for materials and workmanship entering into the water system in the CWA or in any SCWA than for materials and workmanship entering into the water system in the Village, and shall be subject to approval and inspection of the Superintendent or his duly authorized representative.

Section 7. Maintenance and Operation. Cleves shall maintain and operate the Village Water System in the CWA, and in any SCWA, and shall take care of making repairs and replacements. However, where such repairs and replacements are necessitated as the result of negligence on the part of the County or other political subdivision being served under this Contract, or their employees or contractor, the County or other political subdivision being served under this Contract (as the case may be) shall reimburse Cleves for all related costs. In the case of all distribution mains installed in the CWA or in any SCWA on an assessment basis, the contractor's performance bond shall be for the benefit of Cleves in sufficient amount to cover the costs of any and all maintenance required on said mains during a one-year period beginning on the date of acceptance of these mains into



the Village Water System by Cleves and in accordance with Cleves Rules and Regulations.

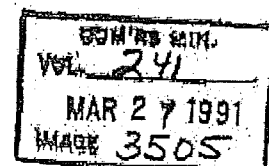
Section 8. Fire Hydrants. Fire hydrants installed after the effective date of this Contract shall conform to Cleves Rules and Regulations, unless otherwise agreed by the Village and the County. Fire hydrants within the CWA or in any SCWA shall be maintained, repaired and replaced by Cleves. To compensate Cleves for these services, Cleves may impose a monthly charge on water bills to CWA customers not to exceed \$1.00 per month. Such fee shall not be increased without consent of the County Commissioners. For the purpose of the protection of the water system, all installation, repair, maintenance, replacement, or removal of fire hydrants shall be subject to inspection by the Superintendent or his duly authorized representative, at no cost to the County or other political subdivision served hereby. In the case of fire, fire hydrants may be used by any municipal fire department or by any other fire company organized according to statute. The respective fire officials will provide to the Superintendent quarterly an estimate of the amount of water used by them for fire purposes. No water shall be taken from fire hydrants for other than fire purposes except in accordance with Section 15 of this Contract.

Section 9. Water Service Branches. Water service branches, charges therefor, their installation, ownership and maintenance shall be in accordance with the Cleves Rules and Regulations, which Regulations shall operate no differently for persons located in the Village than for those located in the CWA or any SCWA.

Section 10. Water Meters. Water meters, charges therefor, their installation, ownership and maintenance shall be in accordance with Cleves Rules and Regulations, which regulations shall operate no differently for persons located in the Village than for those located in the CWA or any SCWA.

Section 11. Billing and Collecting. In the CWA and in any SCWA, Cleves will read all meters, print and mail bills to the addresses given, collect bills and audit accounts and require payment, all in accordance with Cleves Rules and Regulations, which Regulations shall operate no differently for persons located in the Village than for those located in the CWA or any SCWA.

Section 12. Water Rates. The Board of Public Affairs of Cleves shall from time to time fix the charges for water supplied to consumers in the CWA and in any SCWA. Such charges in the CWA shall reasonably reflect the following schedule of differentials in water rates between Village and CWA customers:



From August 1, 1990 through December 31, 1991, rates in the CWA shall be 1.37 times Cleves rates.

For the next two-year period (Jan 1, 1992-Dec 31, 1993), CWA rates shall be 1.33 times Cleves rates.

For the next four-year period (Jan 1, 1994-Dec 31, 1997), CWA rates shall be 1.30 times Cleves rates.

For the next ten-year period (Jan 1, 1998-Dec 31, 2007), CWA rates shall be 1.26 times Cleves rates.

For the next ten-year period (Jan 1, 2008-Dec 31, 2017), CWA rates shall be 1.25 times Cleves rates.

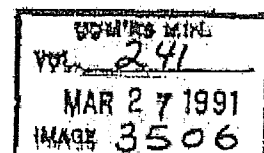
Differentials applicable to customers in any SCWA shall be in accordance with written agreements related thereto.

There shall be no arbitration of water rate ratios in the CWA or in any SCWA during the term of this Contract.

Section 13. Obligation of Owners of Property Served.

Any owner of real estate premises in the CWA or in any SCWA, which is supplied with water pursuant to this Contract, shall be considered as accepting the provisions of this Contract, Cleves Rules and Regulations to the extent the same shall be applicable, and as agreeing, in particular, to be liable for all water service charges for such premises, whether the accounts for such premises are carried in the name of such owner or in the name of tenants or other persons. Whenever it shall be found that Cleves water is being used in premises for which no application has been made, the water may be shut off and not restarted until the proper application has been made and all water unlawfully consumed has been paid for with a penalty of ten percent, whether or not there has been in the meantime a change of ownership of the premises.

Section 14. Right to Use. Cleves shall have the right to use all existing easements and all road rights-of-way in the CWA and in any SCWA required for the construction, operation, maintenance and replacement of water mains or other appurtenances. Any construction, maintenance and replacement work performed under this Contract by Cleves shall require a County Engineer's permit and such work shall conform to the requirements of "Hamilton County Driveway Regulations and Pavement and/or Right of Way Openings Provisions for the Unincorporated Areas of Hamilton County." Cleves shall not, however, be required to make payment of any permit, license fees or taxes of any kind, except as may be required by State law, and except for a processing fee not to exceed ten dollars (\$10.00) for each transaction or occurrence in which Cleves is required to obtain a County Engineer's permit. When required by Cleves, the County Commissioners or other political subdivision served hereby shall apply their power of eminent domain in the CWA or in any SCWA to acquire necessary easements or ownership of property to be used for Cleves Water Works capital improvements. However, where the County Commissioners or other political subdivision served hereby are required pursuant to this Section to apply their power of eminent domain to acquire necessary easements or ownership of property, Cleves shall reimburse the County or other



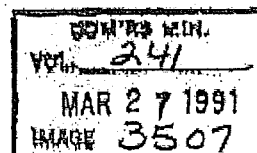
political subdivision served hereby (as the case may be) for the costs thereof.

Section 15. Use of Water from Unmetered Sources. The use of water for purposes other than for fighting fires, as indicated in Section 8, in the CWA or any SCWA, shall be subject to Cleves Rules and Regulations.

Section 16. Furnishing of Detailed Drawings. Each party to this Agreement shall furnish to the other reproducible detailed drawings showing the location of all pipes, special castings, valves and fire hydrants installed under their responsibility.

Section 17. Cleves Rules Applicable. Unless otherwise specifically provided for herein, the Superintendent is authorized to enforce in the CWA and in any SCWA all ordinances, law, standards, specifications, rules and regulations now or hereafter lawfully in effect in Cleves and/or the CWA and/or any SCWA to the extent that the same shall be applicable. Cleves may at any time change rules or regulations. Except as expressly allowed by this Contract, or except those regulations which are directly related to water rates established pursuant to this Contract, no regulations different from those applicable within the corporate limits of the Village shall be put into effect for the CWA or any SCWA by Cleves without the written approval of the County Commissioners.

Section 18. Supply of Water Not Guaranteed. Water furnished under the terms and conditions of this Agreement is done pursuant to Article 18, Sections 4 and 6 of the Constitution of the State of Ohio and laws enacted pursuant thereto authorizing the sale of surplus water by a municipality. It is specifically agreed and understood that the supply of water to the CWA or to any SCWA is at all times dependent upon the existence of a surplus product of water beyond the amount of water needed for consumers located within the Village. Except 1) where a surplus does not exist, b) in the case of breaks in mains, serious damage to reservoirs or pumping equipment, or other emergencies or necessities (in which case the water may be shut off without notice), or c) where an insufficient supply of water exists, Cleves will use its best efforts to provide a potable, stable, and adequate supply of water to consumers in the CWA and in any SCWA. As between Hamilton County and other political subdivisions furnished standby or other water service by Cleves, there shall be no prior rights to service by reason of earlier date of contract; however, except as may be required by law, Cleves shall allocate any water on a commercially reasonable basis among Cleves, the County, and all other political subdivisions served by Cleves in the event of a shortage of water. Cleves shall not be liable for any damages for its failure to furnish water except where such failures resulting



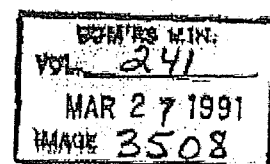
from its breach of this Agreement, but in no event shall Cleves be liable for consequential or special damages by reason of any failure to furnish water, it being understood that the supply of water is not guaranteed to consumers served hereby or to consumers residing with the Village limits.

Section 19. Water To Be Used in CWA or in Any SCWA. In recognition of the need to properly plan for an adequate supply of finished water for the customers of the Cleves Water Works, water supplied in accordance with this Contract shall be used only in the CWA or in any SCWA unless the expressed written consent of Cleves is obtained.

Section 20. Detachment and Annexation of CWA. Should any part of the CWA or any SCWA be annexed to Cleves, it shall become part of the Village water system on the same basis as other parts of Cleves and shall cease to be governed by this Contract.

Section 21. Water Service for Additional Areas. Areas within Hamilton County not included in the CWA may be made part of the CWA or may become an SCWA upon written application by the County Commissioners and other appropriate officials of the political subdivision involved and with the approval of Cleves City Council. The area so included and any special rates, charges or conditions that apply will be incorporated into this Contract by amendment thereto. If the Cleves City Council refuses to serve such area, the County may submit the matter to an arbitration board set up as provided in Section 22 as to the necessity and costs of such improvements. If the County prevails, Cleves shall be obligated to service such additional areas in accordance with the arbitrators' decision, provided however, that Cleves shall not be obligated to extend such service if it cannot finance such improvements through cash financing or bond financing at rates reasonable in light of the bond rating and bonding capacity of Cleves, and prevailing interest rates.

Section 22 Arbitration. Should any material dispute arise during the term of this Contract which is not addressed or contemplated by the Contract, the controversy shall be investigated by the Cleves Board of Public Affairs and the County Administrator in accordance with the general purpose of this Contract. Should the parties be unable to agree, the matter shall be submitted to arbitration upon written demand of the party seeking same mailed to the other party and specifying the issues on which arbitration is sought. The arbitration procedure for any dispute which is arbitrable under the terms of this Contract shall be exclusive of other remedies, and shall be conducted as follows. A panel of three members who are in the business of providing consulting engineering services to the water works industry shall be selected to arbitrate the issue.



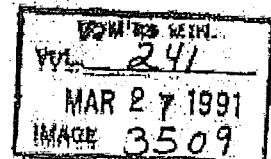
On panelist shall be chosen by each, Cleves and the County, and the third by the other two. The decision of the panel shall be final. Prior to the arbitration, the parties shall provide to one another, within thirty days of a written request made therefor, any requested documentary material that is relevant to the issues submitted to arbitration and that would be properly producible in a request made pursuant to Ohio Rule of Civil Procedure 34. In all other respects, the proceedings shall be conducted in accordance with the rules of the American Arbitration Association as then in effect. Each party to the arbitration shall bear its own costs of arbitration. However, the arbitrators shall, upon motion of the prevailing party, award the prevailing party its costs, including reasonable attorneys fees and expert witness fees, in the event the arbitrators determine that the request for arbitration was not made in good faith or was made for an improper purpose such as to harass or cause unnecessary delay.

Section 23. Term of Contract. This Contract shall be in force for the period beginning on the date hereof and ending December 31, 2017. All contracts supplementary hereto or in extension hereof shall terminate on or before said date.

Section 24. Water for County Sewers. The County Commissioners shall be authorized to use reasonable amounts of water from fire hydrants, without charge, for the flushing of public sewers and for the repair of County or municipal roads in the CWA or any SCWA by County forces or by a contractor acting for the County, or other political subdivision served hereby, provided the County first secures the permission of the Superintendent, which permission shall not be unreasonably withheld.

Section 25. Charges to Constitute Total Compensation. The charges authorized by Section 12 hereof, together with the other charges provided for by this Contract, shall constitute the entire compensation to Cleves for supplying water to the CWA.

Section 26. Miamitown Area. Cleves shall seek to improve the distribution system (including fire flows for fire protection) for that area designated as Appendix A as the "Miamitown Area." At any time after the expiration of two years from the date of execution of this Agreement, the County shall have the option to elect to transfer said "Miamitown Area" to a water supplier other than Cleves if, in the judgment of the County Commissioners, Cleves has not been able or willing to bring about such improvements. If all or part of said Miamitown Area is removed from the CWA by action of the County Commissioners, then the County shall pay to Cleves an amount equal to the cost of any improvements to the Village Water System that were made after the effective date of this Agreement and that were directly of benefit to improving the distribution



system in the Miamitown Area. Such payment shall be full acquittal of the County Commissioners. The detachment of all or any part of the "Miamitown Area" shall not affect any of the other terms and conditions of this Agreement. For the purpose of effectuating this paragraph, Cleves agrees that within ninety (90) days of the effective date of this Agreement, it will provide to Hamilton County at its expense the results of flow tests on five (5) hydrants located in the Miamitown area at locations selected by the County Public Works Director.

Section 27. Fire Flows. The parties expressly acknowledge that some customers in the CWA presently are unable to secure water flows from existing fire hydrants that are sufficient, in and of themselves for fire protection purposes. Cleves shall notify all such customers in the CWA, in writing, that the service furnished to them shall be limited to provision of residential water only and does not include water flows from hydrants that are sufficient for fire protection purposes. This requirement shall not apply to customers whose hydrant water flows are sufficient for fire protection purposes. In the case of any new customers that are serviced by Cleves, whose fire hydrants are not sufficient to provide pressurization sufficient for fire protection, Cleves shall require such customers to acknowledge the fact in writing as a condition of providing service to such customers. Cleves shall indemnify and hold the County harmless from any and all loss, damage, or expense arising directly or indirectly from Cleves' failure to follow the provisions established in this Section.

IN WITNESS WHEREOF, the Village of Cleves, by its Mayor, as authorized by Ordinance # 2-1851 passed by Council on March, 1991, and the Board of County Commissioners authorized by Resolution adopted on March 6, 1991, have hereunto set their hands as of the day and year first mentioned above.

APPROVED by Ordinance of  
the Village of Cleves  
Passed March, 1991

William H. Hume  
Clerk of Council

VILLAGE OF CLEVES

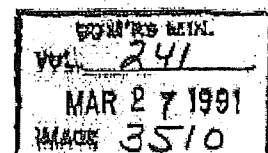
Harold Duncan  
Mayor

APPROVED AS TO FORM:

Paul H. Kusner  
Village Solicitor

RECOMMENDED:

Thomas G. Lind  
Thomas G. Lind, President  
Board of Public Affairs  
Cleves, Ohio



RECOMMENDED:

Thomas W. Wenz  
Thomas W. Wenz  
County Administrator

BOARD OF COUNTY COMMISSIONERS

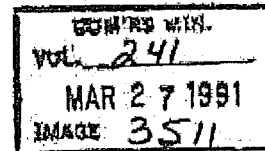
Mrs. Beckwith  
Sandra S. Beckwith

APPROVED AS TO FORM:

Steven J. Chabot  
Steven J. Chabot

R. J. Furlong  
Assistant Hamilton County  
Prosecutor

John Dowlin  
John Dowlin



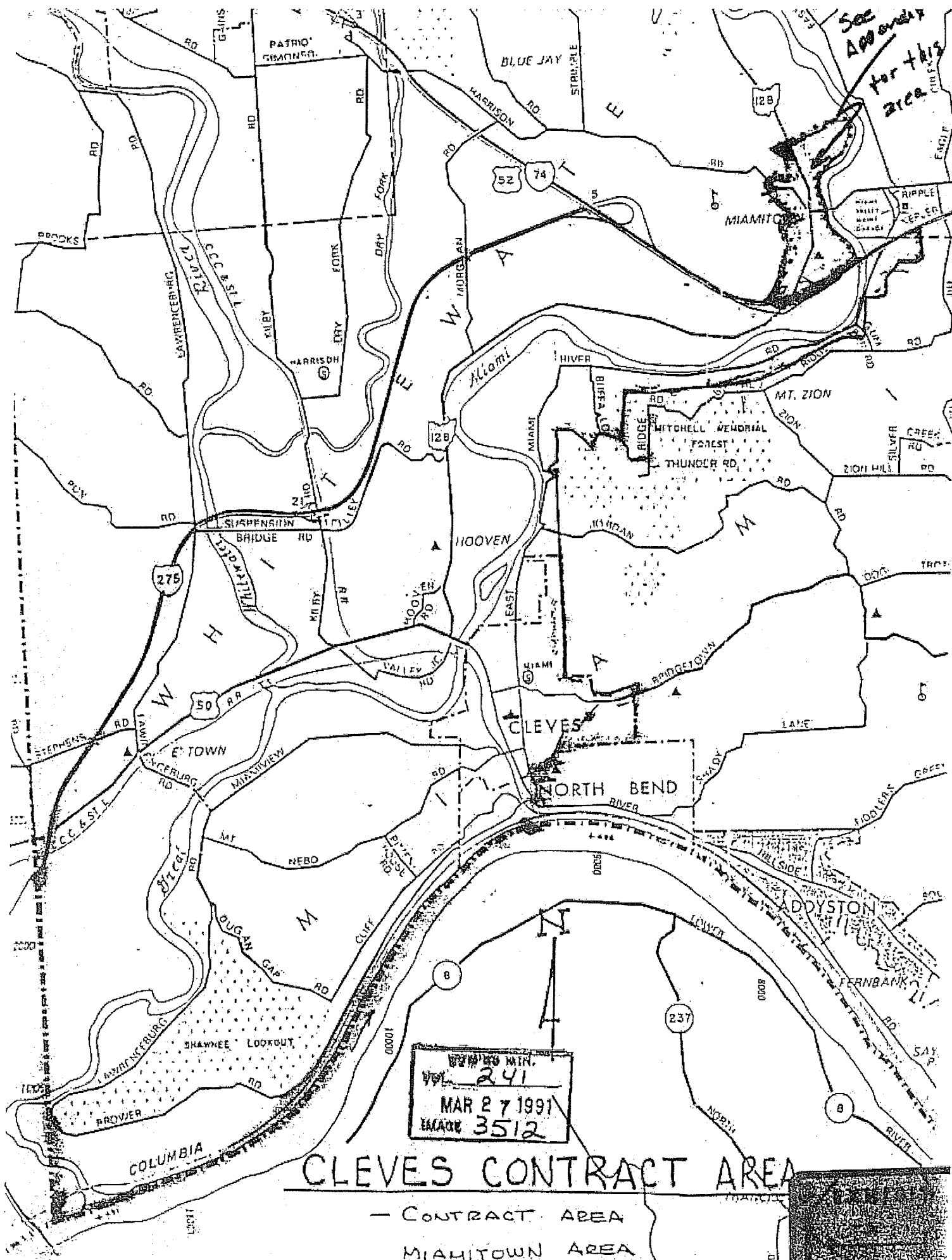
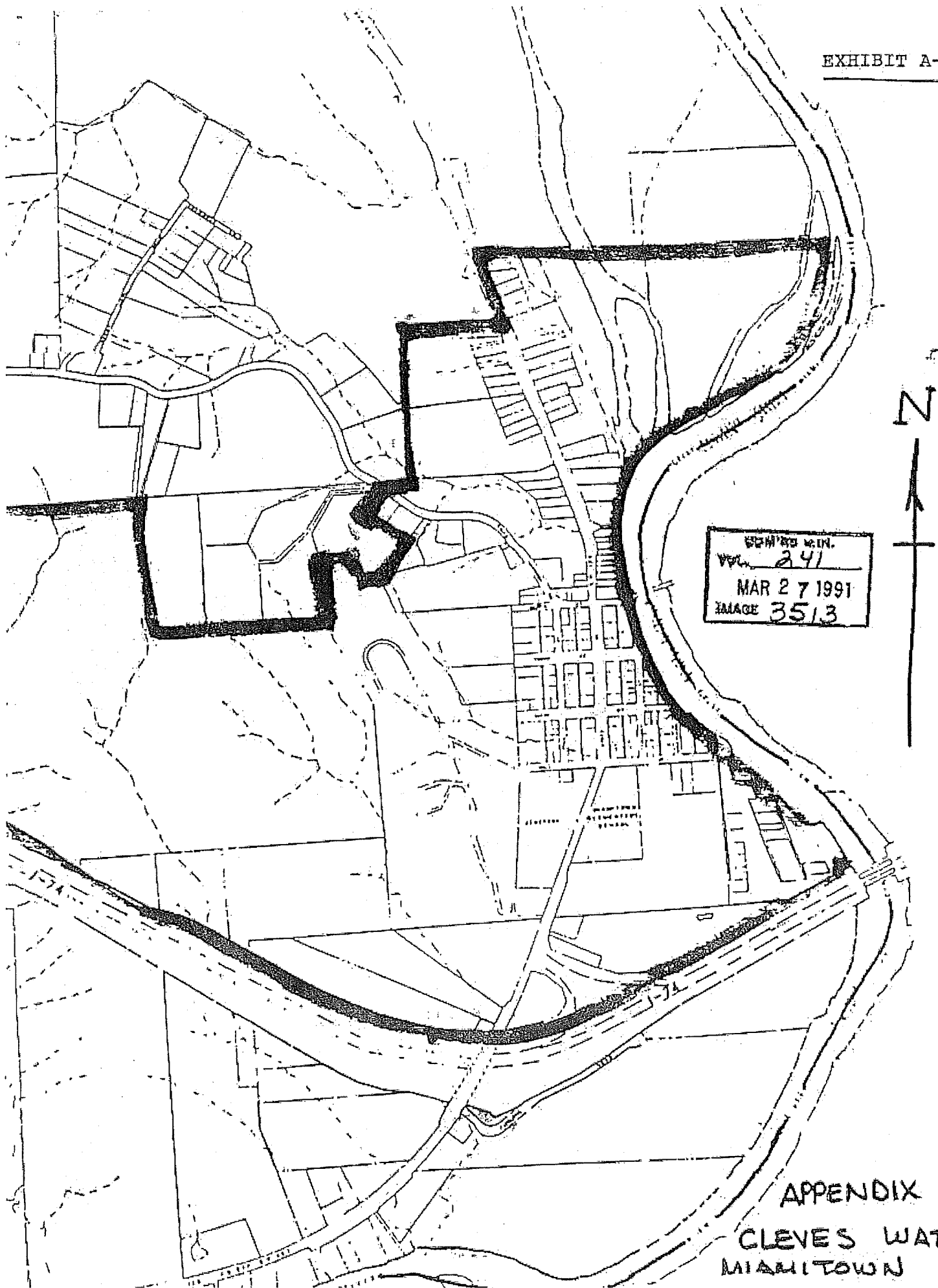


EXHIBIT A-1



SEMI-ANNUAL  
VOL. 241  
MAR 27 1991  
IMAGE 3513

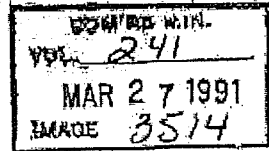


APPENDIX 1  
CLEVES WATER  
MIAMITOWN

## VILLAGE OF CLEVES

OFFICE OF  
BOARD OF PUBLIC AFFAIRS

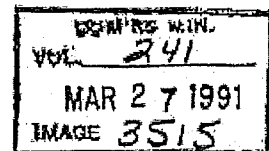
101 North Miami Avenue    ✦   ✦   Cleves, Ohio 45002



### Exhibit B:

1. Up sizing and relocation of the 8 inch main on the Great Miami River Bridge route 50 (please find attached recommendations) \$100,000.00
2. Attorney fees for Well Head Protection Ordinance and including possible action needed to be taken against Chevron at Hooven Plant (\$25,000.00).
3. Assessment of repair of the Miamitown tank (no dollar amount known at this time).
4. Extension of the water main on East Miami River Road, with Miamitownship funds and Hamilton County and E.P.A. approval.

Project No. 9112-01  
Report No. 1



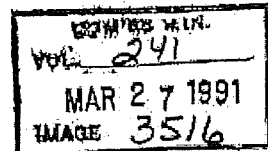
REPORT

DATE: February 19, 1991  
FROM: Gerald R. Checco, P.E. - Smith, Stevens & Young, Inc.  
TO: Dan Sehlhorst - Sehlhorst Equipment Services Co.  
SUBJECT: Cleves Water Consumption Analysis  
Proposed Subdivision in Whitewater Township

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1. As requested by Sehlhorst Equipment Services Co. (SES), Smith, Stevens & Young, Inc. (SSY) ran a series of computer simulations to determine the consequences of the proposed subdivision on the Village of Cleves water system.
2. The layout of the subdivision and the topography was provided to SSY by SES (copy attached). It is our understanding that the subdivision will be used as residential with light industrial/shop.
3. The computer model assumed an extension of the water system with a new 8" diameter water line tie-in at the corner of Ohio Avenue and Monroe Street (on the existing 6" diameter water main) and running north for 400 ft. to the end of the cul-de-sac proposed for the subdivision.
4. The peak domestic water was assumed to be 10 GPM total for the seven lots. During the peak hours, the two automatic pumps at the Cleves Water Works wells are believed to run almost continuously. In this case, the pressure at the end of the line is quite high (240 psi +/-) and a pressure reducing valve might be required in the domestic feeds at each lot.
5. A fire flow of 500 GPM was simulated for three hours with the two automatic pumps on at the Cleves Water Works wells. The pressure at the end of the cul-de-sac is about 40 psi, in this case, and satisfactory for firefighting.
6. There were no noticeable changes in the rest of the water system during these two simulations.

*Smith, Stevens & Young, Inc.*



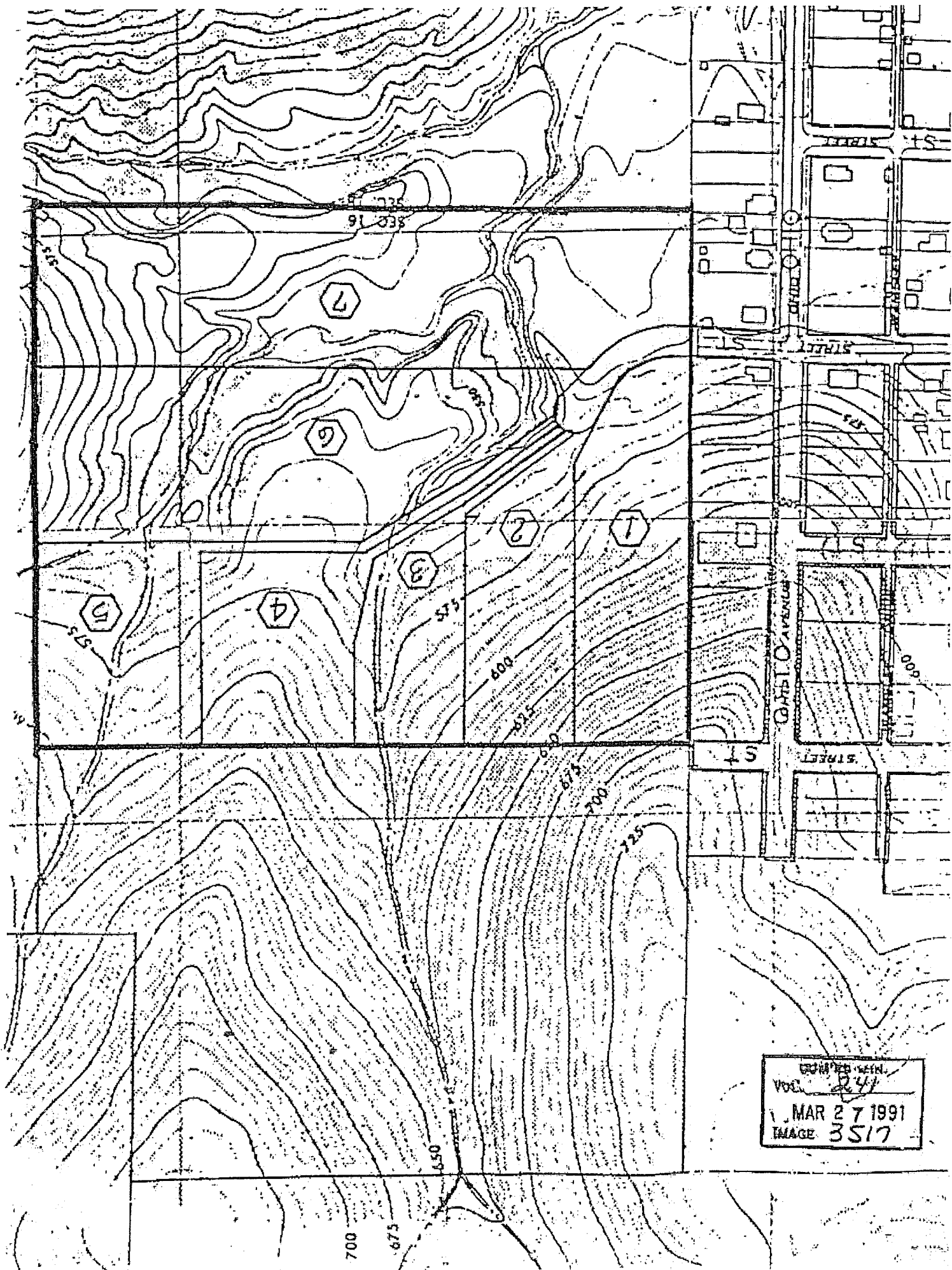
CONCLUSION:

We believe that the development of the proposed subdivision will not significantly affect the rest of the water system and that the water system is able to service the new subdivision, provided that a minimum 8" diameter line is extended to the end of the cul-de-sac (with a fire hydrant at the end) and that Cleves Water Works confirms that the automatic pumps at the wells run almost continuously during a normal day.

GRC/jlk  
2/19/91

DISTRIBUTION: 2/19/91

Dan Sehlhorst	Sehlhorst Equipment Services Co.
Bev Meyers	Cleves Water Works
Dave Seitz	Smith, Stevens & Young, Inc.
Gerry Checcho	Smith, Stevens & Young, Inc.



GRAND VIEW  
VOC. 244  
MAR 27 1991  
IMAGE 3517

## DEED

GENERAL INDEX

291

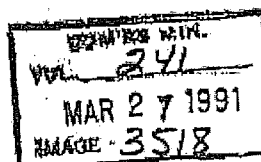
From 1.25 Number 15 Date May 11th 1927 Series 7th Vol. 8 P. 100

From Cleaves S. Markland

To Board of Co. Comm's.  
of Ham. Co., Ohio.

Know All Men by These Presents:

That Cleaves S. Markland,



In consideration of one dollar (\$1.00) and other good and valuable considerations,  
in his said Board of County Commissioners of Hamilton County, Ohio,  
the receipt whereof is hereby acknowledged, do hereby Grant, Enjoin, Sell  
and Convey to the said Board of County Commissioners, of Hamilton County, Ohio, its successors  
and assigns forever.

The following described tract of land, located in Range 2, Town 1, Section 10,  
southeast quarter, Miami Township, Hamilton County, Ohio, being a part of a fifty-one and  
seven-tenths (51.7) acre tract owned by Frank M. Steele, to-wit:- Beginning at an old stone  
at the southeast corner of F. M. Steele's fifty-one and seven-tenths (51.7) acre tract, said  
stone being located on the section line between sections Nos. 9 and 10, Miami Township, and  
two thousand eighty-three (2083) feet westerly from the southeast corner of said section 10;  
thence along old fence and section line, one hundred (100) feet westerly to a stake; thence  
north one degree ten minutes east (N.1°10'E.) five hundred and one (501) feet to the center  
line of the eighteen (18) foot pavement on the Cincinnati-Louisville Pike; thence north  
seventy-two degrees forty-seven minutes east (N.72°47'E.) twenty-eight and eight tenths  
(28.8) feet to a point; thence north eighty-two degrees five minutes east (N.82°05'E.)  
seventy-three and four tenths (73.4) feet to a point; thence south one degree ten minutes  
west (S.1°10'W.) five hundred and nineteen (519) feet to the place of beginning, contain-  
ing one and fifteen hundredths (1.15) acres.

and all the Rights, Title and Interest of the said Cleaves S. Markland,  
either in Law or Equity ad. in and to the said premises; Together with all the privileges and appurtenances to the  
same belonging, and all the rents, income and profits thereof; To have and to hold the same to the only proper use of the said  
Board of County Commissioners, of Hamilton County, Ohio, its successors and assigns forever.

And the said Cleaves S. Markland,

by himself and his heirs, executors and administrators,  
do hereby Covenant with the said Board of County Commissioners of Hamilton County, Ohio,  
its

heirs, executors and assigns, that he is the true and lawful owner of the said premises, and  
has full power to convey the same; and that the title so conveyed is Clear, Free and Unincumbered; And further, that he  
warrants and will defend the same against all claims or claims of all persons whomsoever;  
except as to the taxes due and payable in December, 1927, and thereafter,  
and except as to all assessments charged against said premises, which the grantee herein  
shall be bound to pay.

**EXHIBIT F**  
**SECTION 4 OF CITY-COUNTY WATER AREA CONTRACT**

Section 4. Extension and Construction of Distribution Mains. Extensions of distribution mains in the CWA or in any SCWA shall be constructed by the County Commissioners or other political subdivision served hereby in accordance with Chapter 6103, Revised Code of Ohio, or at the expense of the applicant for the extension with the approval of the County Commissioners or other political subdivision served hereby (as the case may be). In all cases, the pipe used shall not be less than eight (8) inches in diameter, except that six (6) inch pipe may be used when approved by the Director. Pipe and all other materials and the manner of installation shall be in accordance with the Cincinnati Rules and Regulations. No part of the cost of any such extension shall be paid by Cincinnati unless in a particular case the Director requires an extension to be of pipe of more than eight (8) inches in diameter, in which case Cincinnati shall pay the difference between the cost of installing an eight (8) inch pipe and the cost of installing the size of pipe specified by the Director. This cost differential shall be determined by the Director upon consideration of available cost data for similar projects over the most recent period for which data is available and any submitted comparison of the design engineer's cost differential based on the final drawings and specifications for the particular project involved. The cost of installing pipe shall include the cost of the pipe and other materials and all other expenses, including labor and overhead, necessarily incurred in installing such pipe to the satisfaction of the Director. No extension shall be made to serve a proposed subdivision unless such proposed subdivision has been approved by the proper authorities in accordance with the Ohio Revised Code Chapter 711 and all other pertinent provisions of Ohio law and, in the opinion of the Director, it can be adequately served, which opinion shall not be unreasonably withheld.

If approved by the Director, an extension of distribution mains in the CWA or in any SCWA may be installed in accordance with the provisions for water main extensions contained in Cincinnati Rules & Regulations.

In the case of extensions installed by the County or other political subdivision served hereby in which the City has agreed to participate in the cost thereof, the City's estimated portion of the cost shall be paid to the County or other political subdivision (as the case may be) after bids for the work are taken and prior to the execution of the contract for the work and shall be based on the unit prices bid multiplied by the estimated unit of work. The actual dollar amount of the City's portion of the cost shall be fixed after the completion of the work and, if necessary, additional payment by or refund to the City shall then be made. In cases where extensions of 12 and 16 inch pipe are to be made by a private person or corporation, the City's portion of the cost shall be paid after the completion of the extension to the satisfaction of the Director.

All building permit applications in the CWA or in any SCWA, other than single family residences in recently approved subdivisions, shall be submitted to the Cincinnati Water Works prior to issuance of the permit, for a determination of whether water service is available, which determination shall not be unreasonably withheld.

The County Commissioners or other political subdivision served hereby shall submit each proposed extension of a water main in the CWA or in any SCWA to the Director for determination of whether such extension can be made without materially affecting the water service of existing consumers, which determination shall not be unreasonably withheld.

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