

**Sylvania City Council**  
February 5, 2018

**7:00 p.m. Employee & Community Relations Committee**  
2019 City Calendar Project

**7:30 p.m. Council Meeting**  
Agenda

1. Roll call. Mrs. Cappellini, Mr. Frye, Mr. Haynam, Mrs. Husman, Mr. Luetke, Mr. Richardson, Mrs. Westphal, present.
2. Pledge of Allegiance to the United States of America led by Mr. Haynam.
3. Additions to the agenda.
4. Approval of the Council meeting minutes of January 16, 2018.
5. Proclamation presented by Mayor Stough to William Geha for being selected as the “Top Drug Counselor of the Year for 2017-2018 by the International Association of Top Professionals”.
6. Proposed Resolution No. 3-2018, A Resolution accepting the amounts and rates as determined by the Budget Commission and authorizing the necessary tax levies and certifying them to the County Auditor.
7. Toledo Area Water Authority.
  - a. Mayor’s Message.
  - b. Memorandum of Understanding.
  - c. Proposed Ordinance No. 1-2018, Authorizing to enter into a Memorandum of Understanding providing for the development of a Plan of Operation for an Ohio Revised Code Chapter 6119 Entity to be established to provide Regional Water Resource Utility Services to be known as the Toledo Area Water Authority, (“TAWA”). (Referral to the Utilities Committee.)
8. Proposed Ordinance No. 2-2018, Approving the First Amendment to Commercial Real Estate Purchase Agreement of Republic Development, LLC and J.C. Hart Company, Inc. to purchase the City’s Real Estate known as the SOMO Property located along Monroe St.
9. Proposed Ordinance No. 3-2018, Granting a license to Inside the Five Brewing to enter a portion of City-owned Right-of-Way to install and maintain an Ingress/Egress ramp.

10. Proposed Ordinance No. 4-2018, Revision the Administrative, Departmental and Divisional Organization of the City and the Codified Ordinances thereof by amending Sylvania Codified Ordinance Section 139.02 to change the Class Grade of the Chief Probation Officer from Class Grade 15 to Class Grade 21.
11. Main Street Reconstruction Project.
  - a. Service Director's report on the Construction Engineering Services proposal.
  - b. Proposed Ordinance No. 5-2018, Accepting the proposal of Stantec to provide Construction Engineering Services relative to the Main Street Reconstruction Project.
12. Harroun Road and Monroe Street.
  - a. Service Director's report.
  - b. Authorizing to accept the proposal of JJR, LLC to provide Conceptual Design of Streetscape Enhancements at the Southwest corner of the Monroe Street and Harroun Road.
13. Proposed Resolution No. 4-2018, Appointing Patrick Richardson to the Board of Trustees of Sylvania Community Services for the full calendar year of 2018.
14. Lourdes University banner request.
  - a. City's current criteria for Street Banner permits on Monroe Street.
  - b. Referral to the Employee & Community Relations Committee.
15. Committee reports.
  - a. Employee & Community Relations Committee Meeting from this date.
16. Committee referrals.

## **INFORMATION**

- A. 4<sup>th</sup> Quarter 2017 Management Reports.
- B. TMACOG letter, dated 1/16/18 regarding the 2017 CMAQ Funding Round.
- C. Police Chief's memo regarding the 2017 Funds report.

Minutes of the Meeting of Council  
January 16, 2018

The Council of the City of Sylvania, Ohio met in regular session on January 16, 2018 at 7:30 p.m. with Mayor Stough in the chair. Roll was called with the following members present: Katie Cappellini, Mark Frye, Doug Haynam, Sandy Husman, Mark Luetke, Patrick Richardson, Mary Westphal; (7) present;, (0) absent.

Roll call:  
All present.

Pledge of Allegiance to the United State of America led by Mr. Frye.

Pledge of Allegiance.

Mayor Stough stated that Council will now consider agenda item 3.

The following items were added to the agenda:

- 10. Police Vehicles for sale on GovDeals.
- 11. Executive Session to discuss real estate matters.

Mrs. Westphal moved, Mrs. Cappellini seconded to approve the agenda as amended; roll call vote being: Cappellini, Frye, Haynam, Husman, Luetke, Richardson, Westphal, (7) yeas; (0) nays. The motion carried.

Agenda approval.

Mayor Stough stated that Council will now consider agenda item 4.

Mrs. Westphal presented the January 3, 2018 organizational meeting minutes. Mrs. Westphal moved, Mr. Haynam seconded, that since the Mayor, members of Council, and others had been furnished copies of these minutes prior to this meeting, Council dispense with the reading of these minutes at this time, and the journal of the minutes of the organizational meeting of January 3, 2018 be approved; roll call vote being: Frye, Haynam, Husman, Luetke, Richardson, Westphal, Cappellini, (7) yeas; (0) nays. The motion carried.

Approval of the January 3 Organizational meeting minutes.

Mrs. Westphal presented the January 3, 2018 meeting minutes. Mrs. Westphal moved, Mr. Haynam seconded, that since the Mayor, members of Council, and others had been furnished copies of these minutes prior to this meeting, Council dispense with the reading of these minutes at this time, and the journal of the minutes of the regular meeting of January 3, 2018 be approved; roll call vote being: Frye, Haynam, Husman, Luetke, Richardson, Westphal, Cappellini, (7) yeas; (0) nays. The motion carried.

Approval of the January 3 meeting minutes.

Mayor Stough stated that Council will now consider agenda item 5.

Mrs. Westphal presented and read aloud by title only, proposed Resolution No. 1-2018, a written copy of same having been previously furnished to each member of Council, "A Resolution designating the Clerk of Council as the Mayor and City Council's Designee to attend training programs and seminars about the Public Records Law as required by Ohio Revised Code Section 109.43; and declaring an emergency." Mrs. Westphal moved, Mr. Frye seconded, that Council dispense with the Second and

Resolution No. 1-2018, "...designating Clerk as designee to attend Public

Minutes of the Meeting of Council  
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Third Readings of said Resolution;, roll call vote being: Haynam, Husman, Luetke, Richardson, Westphal, Cappellini, Frye, (7) yeas; (0) nays. The motion carried.

Records Law  
training...”.

Mrs. Westphal moved, Mr. Frye seconded, that Resolution No. 1-2018 be enacted as an emergency measure as declared therein; roll call vote being: Husman, Luetke, Richardson, Westphal, Cappellini, Frye, Haynam, (7) yeas; (0) nays. The motion carried.

Mayor Stough stated that Council will now consider agenda item 6.

Mr. Luetke presented and read aloud by title only, proposed Resolution No. 2-2018, a written copy of same having been previously furnished to each member of Council, “Re-appointing Katie Cappellini to the Board of Trustees of Sylvania Area Joint Recreations District (SAJRD), she being a member of the Council of this appointing Political Subdivision, for the full calendar year of 2018, and declaring an emergency”; Mr. Luetke moved, Mrs. Husman seconded, that Council dispense with the Second and Third Reading of said Resolution; roll call vote being: Luetke, Richardson, Westphal, Cappellini, Frye, Haynam, Husman, (7) yeas; (0) nays. The motion carried.

Resolution No.  
2-2018,  
“Re-appointing  
Cappellini to  
SAJRD for  
2018...”

Mr. Luetke moved, Mr. Haynam seconded, that Resolution No. 2-2018 be enacted as an emergency measure as declared therein; roll call vote being: Richardson, Westphal, Cappellini, Frye, Haynam, Husman, Luetke, (7) yeas; (0) nays. The motion carried.

Mayor Stough stated that Council will now consider agenda item 7.

Mr. Luetke moved, Mrs. Westphal seconded to direct the law department to prepare legislation to appoint Patrick Richardson to the Sylvania Community Services board for 2018. Roll call vote being: Westphal, Cappellini, Frye, Haynam, Husman, Luetke, Richardson, (7) yeas; (0) nays. The motion carried.

Appointment to  
SCS discussion.

Mayor Stough stated that Council will now consider agenda item 8.

Mr. Luetke stated the Employee & Community Relations Committee met at 8:00 a.m. on this date to discuss the 2019 city calendar project to include Requests for Qualifications in a bidding process. The RFQ information will be placed on our website. There was also discussion to formalize the process in making appointments to community boards.

Emp & Com  
Relations Com  
report: 2019  
City Calendar,  
and board  
appointments.

Mayor Stough stated there were no items for agenda item #9, so Council will consider added agenda item 10.

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Mr. Frye moved, Mrs. Westphal seconded to authorize to place two Ford Explorer Utility Vehicles on GovDeals as they are no longer of use to the City; roll call vote being: Cappellini, Frye, Haynam, Husman, Luetke, Richardson, Westphal, (7) yeas; (0) nays. The motion carried.

Items to be sold on GovDeals.

Mayor Stough stated that Council will now consider added agenda item 11.

Mrs. Westphal moved, Mr. Haynam seconded to enter into Executive Session for the purpose to discuss real estate property matters at 7:51p.m. Roll call vote being: Cappellini, Frye, Haynam, Husman, Luetke, Richardson, Westphal, (7) yeas; (0) nays. The motion carried.

Executive Session to discuss real estate matters.

Mrs. Westphal moved, Mrs. Husman seconded to return from Executive Session to General Session at 8:06p.m. Roll call vote being: Frye, Haynam, Husman, Luetke, Richardson, Westphal, Cappellini, (7) yeas; (0) nays. The motion carried.

Mayor Stough stated that there is no action as a result of the Executive Session.

Mayor Stough stated that all items on the agenda had been considered.

Mrs. Westphal moved, Mr. Haynam seconded that this meeting adjourn; all present voting yea (7); (0) nays. The motion carried and the meeting adjourned at 8:06p.m.

Adjournment.

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Clerk of Council

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Mayor

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**RESOLUTION ACCEPTING THE AMOUNTS AND RATES AS DETERMINED BY THE BUDGET COMMISSION AND AUTHORIZING THE NECESSARY TAX LEVIES AND CERTIFYING THEM TO THE COUNTY AUDITOR**

**(CITY COUNCIL)**

REVISED CODE, SECS. 5705.34-5705.35

The Council of the **City of Sylvania**, Lucas County, Ohio, met in \_\_\_\_\_ session on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, at the office of \_\_\_\_\_

with the following members present:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Mr/Mrs. \_\_\_\_\_ moved the adoption of the following Resolution:

WHEREAS, The Budget Commission of Lucas County, Ohio, has certified its action thereon to this Council together with an estimate by the County Auditor of the rate of each tax necessary to be levied by this Council, and what part thereof is without, and what part within, the ten mill limitation; therefore, be it

RESOLVED, By the Council of the **City of Sylvania**, Lucas County, Ohio, that the amounts and rates, as determined by the Budget Commission in its certification, be and the same are hereby accepted; and be it futher

RESOLVED, That there be and is hereby levied on the tax duplicate of said City the rate of each tax necessary to be levied within and without the ten mill limitation as follows:

**SCHEDULE A  
SUMMARY OF AMOUNTS REQUIRED FROM GENERAL PROPERTY TAX APPROVED BY  
BUDGET COMMISSION AND COUNTY AUDITOR'S ESTIMATED TAX RATES**

FUND	Amount to Be Derived from Levies Outside 10 Mill Limitation	Amount Approved by Budget Commission Inside 10 Mill Limitation	County Auditor's Estimate of Tax Rate to be Levied	
			Inside 10 M. Limit	Outside 10 M. Limit
	Column II	Column IV	V	VI
General Fund (CHARTER)	197,000	795,000	2.00	0.50
General Bond Retirement Fund	597,000			1.50
Police Pension	317,000	116,000	0.30	0.80
<b>TOTAL</b>	<b>1,111,000</b>	<b>911,000</b>	<b>2.30</b>	<b>2.80</b>

**SCHEDULE B**

**LEVIES OUTSIDE 10 MILL LIMITATION, EXCLUSIVE OF DEBT LEVIES**

FUND	Maximum Rate Authorized to Be levied	County Auditor's Estimate of Yield of Levy (Carry to Schedule A, Column II)
<b>GENERAL FUND:</b>		
Current Expense Levy authorized by voters on		
for not to exceed _____ years. _____, 20		
Current Expense Levy authorized by voters on		
for not to exceed _____ years. _____, 20		
<b>Total General Fund Outside 10 mill Limitation.</b>	<b>0.50</b>	<b>197,000</b>
<b>Park Fund: Levy authorized by voters on</b>		
for not to exceed _____ years.		
<b>Total Police Pension Fund Outside Mills</b>	<b>0.80</b>	<b>317,000</b>
<b>Total Bond Retirement Fund Outside Mills</b>	<b>1.50</b>	<b>597,000</b>
<b>Total</b>	<b>2.80</b>	<b>1,111,000</b>

and be it further

RESOLVED, That the Clerk of this Council be, and is hereby directed to certify a copy of this Resolution to the County Auditor of said County; and be it further

RESOLVED, That the Clerk of this Council is hereby directed to post a copy of this Resolution in the Office of the Clerk of Council in the Municipal Building pursuant to Article III, Section 12 of the Charter of this City.

That this Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, property, and welfare. Provided this Resolution receives the affirmative vote of five (5) or more members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor, otherwise it shall take effect and be in force thirty (30) days after it is approved by the Mayor or as otherwise provided by this Charter.

Vote dispensing with the Second and Third Readings: Yeas \_\_\_\_\_ Nays \_\_\_\_\_

\_\_\_\_\_ seconded the Resolution and the roll being called upon its adoption

the vote resulted as follows:

_____	<u>Cappellini</u>	_____
_____	<u>Frye</u>	_____
_____	<u>Haynam</u>	_____
_____	<u>Husman</u>	_____
_____	<u>Luetke</u>	_____
_____	<u>Richardson</u>	_____
_____	<u>Westphal</u>	_____

Adopted the \_\_\_\_\_ day of \_\_\_\_\_, 2018 as an emergency measure.

\_\_\_\_\_  
President of Council

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
Director of Law

APPROVED:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

7a

**MAYOR'S MESSAGE**  
Craig A. Stough      2/1/2018

"Toledo Area Water Authority"

On January 31, 2018, the City of Sylvania and eight other local communities met and signed a Memorandum of Understanding (MOU) to create the Toledo Area Water Authority (TAWA). The ceremonial signing by the nine leaders signals agreement that a regional water authority is needed and should follow the organizational blueprint envisioned in the MOU.

The nine communities are the Cities of Toledo, Sylvania, Maumee and Perrysburg, the Village of Whitehouse, Lucas County, Northwestern Water & Sewer District of Wood County, the Monroe County Drain Commission and Fulton County. The current water service contracts with Toledo all expire in the next ten years.

The MOU will now be considered for approval by the legislative bodies of those nine communities. Sylvania City Council will officially began consideration at their February 5<sup>th</sup> meeting, with approval by March 15<sup>th</sup> the goal.

TAWA will provide for regional ownership of a water system that can provide abundant safe drinking water with redundant backup sources at fair prices for all. Fresh water should be a regional asset for attracting new business and residential development.

Water system shutdowns such as occurred a few years ago must never happen again. I envision a system with water from the Collins Park Water Plant interconnected with water from the Cities of Oregon, Bowling Green, Monroe and perhaps even Detroit serving as a backup, creating a truly regional water system. There is also the possibility of a new water plant built on a City of Sylvania easement at the western end of Lake Erie.

We have worked on a regional water system for more than twenty years. With the help of the Toledo Metropolitan Area Council of Governments (TMACOG) and the Toledo Regional Chamber of Commerce, great strides have been made in the last two years. TAWA would be a standalone Ohio Revised Code 6119 public utility with its own independent board of directors and manager separate from the regular political subdivisions.

With the legislative approval of the member communities, TAWA would be established by action of a Lucas County Common Pleas Court judge. The next two years will be spent establishing the new utility, planning for efficient operations and for redundant water sources in the future. Water rates for all member communities will be gradually equalized over the next eight years.

Thank you to all the regional leaders who have invested their time and energy to formulate this vision for the future of safe water in northwest Ohio! Their hard work and willingness to find solutions will benefit us all as we move towards a better future.



(Left to Right): Jerry Greiner, President, Northwestern Water & Sewer District; Ziad Musselam, Director/Sanitary Engineer, Fulton County; Mayor Wade Kapszukiewicz, City of Toledo; Commissioner Pete Gerken, Lucas County; Mayor Don Atkinson, Village of Whitehouse; Mayor Craig A. Stough, City of Sylvania; David P. Thompson, Monroe County, Michigan Drain Commissioner, Mayor Rich Carr, City of Maumee; Mayor Thomas Makin, City of Perrysburg.

7b.

1<sup>st</sup> Quarter | 2018

# Toledo Area Water Authority Memorandum of Understanding

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# MEMORANDUM OF UNDERSTANDING REGARDING THE FORMATION OF THE TOLEDO AREA WATER AUTHORITY

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This Memorandum of Understanding (MOU) provides a framework for the development of a Plan of Operation for a Regional Water Resource Utility authority to be called the Toledo Area Water Authority (“TAWA” or “Authority”). The Authority will be established pursuant to Ohio Revised Code (ORC), Chapter 6119 following the filing of Petitions with the Court of Common Pleas in Lucas, Wood and Fulton counties in the State of Ohio. Petitioners and Originating Represented Members of the Toledo Area Water Authority, and signatories to the MOU, may include the cities of Maumee, Perrysburg, Sylvania, and Toledo; Village of Whitehouse, Fulton and Lucas counties; the Northwestern Water and Sewer District of Ohio and Monroe County, MI.<sup>1</sup>

The TAWA will be established to operate, control, and improve components of the Regional Water Resource Utility systems providing wholesale, and in selected cases retail services, to the service areas of the Represented Members and prospective Contracting Community systems. TAWA delivery of retail services not assumed by individual Originating Represented Member’s election on TAWA’s Operational Effectiveness Date may be provided upon the mutual agreement of TAWA and the Represented Member or Contracting Community.

This framework includes terms intended to be incorporated into a Plan of Operation for the Authority to be petitioned for under ORC 6119. Said petition is to be filed initially at the Court of Common Pleas of Lucas County, Ohio as soon as practicable following approvals by the Original Represented Members’ legislative bodies. This MOU serves to document the intent of the Original Represented Members<sup>2</sup>, may be revised as to form to enable execution following legislative bodies’ approvals on or about March 15, 2018, and is anticipated to be presented in conjunction with legislation to approve the filing of petitions to establish the Authority. For the purposes of this MOU, reference to Regional Water Resource Utility systems or TAWA is made to connote a regional district as contemplated by ORC 6119. Its initial organization is to establish a Regional Drinking Water System responsible for potable water utility services; Represented Members and contract communities may have TAWA

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<sup>1</sup> The Northwestern Water and Sewer District, Wood County, OH, and Monroe County, MI, are historical contract customers of the City of Toledo, and as such are designated for purposes of this MOU as Originating Represented Members though it is anticipated that separate legal arrangements between these entities and Petitioners to the Court of Common Pleas to create the TAWA will be required to establish this status.

<sup>2</sup> Per footnote 1, governing board actions for Northwestern Water and Sewer District, Wood County, OH, and Monroe County, MI would contemplate approvals to join the TAWA by contract.

assume responsibility for other water resource utility systems, including retail operations, by mutual agreement. Other Regional Water Utility services potentially including wastewater disposal, stormwater management and/or water reuse may be added after the TAWA Board is established and by supermajority vote of the Board of Trustees. (See Section VIII. Governance)

## 1) Background

The City of Toledo has served as a regional provider of selected water resource utility services for the City and an array of contract customers in a region extending to portions of Fulton, Lucas and Wood counties in Ohio and Monroe County, Michigan. Toledo's water systems have been developed over more than 75 years through the City's re-investments of service revenues, grants, and contributions. Master metered potable water supply services have been delivered under long-term contracts that have featured various terms and conditions including different rate-setting provisions. Several of the water supply contracts are scheduled to expire within the next ten years, making prudent alternative water resource facility planning. In addition, major potable water supply (and other water resource utility) capital investments are underway and planned to improve and expand regional water utility service delivery capabilities. Given these dynamics, Represented Member interests have voiced a desire to establish a regional water authority and governance structure that may best serve the interests of the Toledo region at large. This MOU outlines the structure, scope, principles and procedures of a Regional Water Resource Utility authority to be established under ORC 6119. Execution of this MOU following applicable Original Represented Members' legislative bodies' approvals, establishes those members' commitment to file requisite petitions to appropriate Courts of Common Pleas, or join the TAWA, and financially contribute to payment of Transition Costs required to enable the TAWA to initiate water resource utility service deliveries on a designated Operational Effectiveness Date. Represented Members will make appointments to the TAWA Board of Trustees (as determined by their respective appointment processes) who will have direct authority over the planning, financing, operations and maintenance, and development of the TAWA water resource utility systems.

## 2) Definitions

- a. **Asset Management** – An integrated optimization process of managing infrastructure assets to minimize the total cost of owning and operating them, while continuously delivering the service levels customers desire, at an acceptable level of risk.
- b. **Board of Trustees** – TAWA's authority is vested in and exercised by an appointed Board that provides policy direction and authorizes conduct of TAWA's affairs. The Board of Trustees holds responsibility for acting, through public votes, on policies, procedures, and transactions submitted for Board approval.
- c. **Chief Executive Officer** – Holds responsibility for the conduct of day-to-day utility operations and submits matters for Board of Trustee action.

- d. **Contracting Communities** – TAWA customers whose services are governed by contract terms and conditions approved by the TAWA Board of Trustees. Contracting Communities do not appoint members to the TAWA Board of Trustees.
- e. **Memorandum of Understanding (MOU)** - This document providing a framework for the development of a Plan of Operation for a Regional Water Resource Utility authority to be called the Toledo Area Water Authority (“TAWA” or “Authority”), pursuant to Ohio Revised Code (ORC), Chapter 6119.
- f. **Operational Effectiveness Date** – The date on which TAWA assumes operational responsibility for the water resource utility facilities to be used to deliver services to Represented Members and Contracting Communities.
- g. **Originating Represented Member** – A Represented Member joining TAWA with the filing of Petition(s) to the Court(s) of Common Pleas establishing TAWA, or that assists in creating TAWA and is an Originating Member by contract, and with designated representation on the TAWA Board of Trustees.
- h. **Regional Water Resource Utility** – The collection of assets (delineated in the Plan of Operation discussed below) used and necessary to deliver water resource utility services to Represented Members and Contracting Communities.
- i. **Regional Drinking Water System** – The collection of assets (delineated in the Plan of Operation discussed below) used and necessary to deliver drinking water utility services to Represented Members and Contracting Communities including but not limited to raw water intake facilities, treatment plants, transmission mains, and pumping stations. Points of demarcation between regional and individual retail system assets will be as delineated in water supply contracts between TAWA and those systems.
- j. **Represented Member** – A 6119 District constituent or constituent by contract to whom TAWA Regional Water Resource Utility services are provided and whose elected or appointed officials have the authority and responsibility to appoint members to serve on the TAWA Board of Trustees.
- k. **Retail Rates** – The rates charged for retail services (e.g., local water distribution, local customer service, and billing) provided within the service areas of the Represented Members or contract community systems beyond the wholesale water rates charged by TAWA.
- l. **Transition Costs** - Transition costs are those costs incurred to establish TAWA between the completion of this Memorandum of Understanding and TAWA's Operational Effectiveness Date. Transition costs may include, but are not limited to, costs to prepare and enable filings of Petition(s) at the Court(s) of Common Pleas, to establish a Plan for Operation of the Authority (as described further below)<sup>3</sup>, and to complete Conditions Precedent to the Operational Effectiveness Date of the Authority. Transition Costs shall not include operational costs of funding for, or

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<sup>3</sup> For purposes of cost accrual, transition costs may include costs incurred between the completion of the MOU for consideration by the Parties' governing boards and its execution by prospective Represented Members.

delivery of, water resource utility service from and after the Operational Effectiveness Date, whenever incurred. Should operational costs accruing to TAWA occur during the Transition Period, any Originating Represented Member withdrawing from TAWA pursuant to Section VII during the Transition Period shall only be responsible for its proportionate share of Transition Costs and not operational costs to TAWA.

- m. **Transition Period** – The time period between when the recommended MOU is executed and filings of petitions for creation of TAWA are authorized by Original Represented Members’ legislative bodies, and the Operational Effectiveness Date.
- n. **Water Resource Utility** - The general term “water resource utility” is used for purposes of this MOU to reference an array of water-related utility services, both wholesale and retail, delivered through the water cycle and may include potable water supply, wastewater disposal, stormwater and water reuse utilities.
- o. **Wholesale Water Rates** – Rates charged for raw water intake, treatment, pumping, transmission and other services required to deliver safe, potable water to the retail service areas of the Represented Members and Contract Community systems.

### 3) Toledo Area Water Authority Service Area

The TAWA Regional Drinking Water System service area may include all or portions of the cities of Maumee, Perrysburg, Sylvania, and Toledo; Village of Whitehouse, Fulton and Lucas counties; the Northwestern Water and Sewer District of Ohio and Monroe County, MI. In general, the TAWA service area will be composed of its component Regional Water Resource Utility service areas as may be established through TAWA Board action, and the retail service areas of TAWA Represented Members and Contracting Communities that elect to have TAWA deliver retail water resource utility services. Retail service areas of Represented Members and Contracting Communities who elect to retain responsibility for retail service delivery are deemed separate and distinct from the TAWA service area over which TAWA has authority and powers as delineated under ORC 6119 and listed in the Section titled: “TAWA Powers (per ORC 6119).”

For purposes of filing requisite 6119 petition(s), the designated location of TAWA will be within Lucas County, or such other location as the Board of Trustees may from time to time determine.

### 4) Necessity and Purpose

TAWA is necessary to provide efficient, effective water resource utility services to users within and without the Authority including, but not limited to, potable water supply. The Authority will constitute an independent, single-purpose entity with authority to manage, operate, maintain, control, plan, finance, and set utility service rates. TAWA will operate, maintain and replace utility assets (which may initially include water supply, treatment, pumping, storage, transmission, distribution and metering assets). It will adopt, establish and enforce rules and regulations providing uniform construction, inspection and control of water resource utility facilities expressly under the jurisdiction of the Authority, and all other powers established under O.R.C. 6119, or otherwise granted in law or equity. As such, the

establishment of the Authority will be conducive to public health, safety, convenience and welfare.

The purpose of the TAWA is to plan, finance, construct, manage, operate, maintain, renew and replace water resource utility facilities consisting of at least a water supply and treatment facility or facilities, pumping stations and transmission lines within Authority territory. TAWA is to be structured to facilitate the integration and consolidation of retail water resource system operations, maintenance, renewal and replacement functions at the election of Represented Members' and Contracting Communities governing boards and the TAWA Board of Trustees.

The Authority may, as determined by the TAWA Board, also represent and advocate for Toledo regional water resource utility interests in the context of regional, state, and national initiatives potentially affecting the TAWA service area.

## **5) Water Supply Redundancy – Reliability**

TAWA is to be established to evaluate, plan and develop Regional Drinking Water System assets to provide adequate system redundancy and reliability to protect public health and welfare. Regional water supply redundancy contemplates development of facilities to enable continuous drinking water service delivery in the event that primary water supply sources become unavailable; regional water system reliability contemplates the development of Regional Drinking Water System assets such that service interruptions due to outage of individual system assets are minimized. TAWA's Capital Improvement Program (discussed in Section XIV) will be developed based on a regional water system optimization evaluation to be conducted within 2 years of the TAWA Operational Effectiveness Date and updated not less frequently than tri-annually. The optimization evaluations will specifically address water source commingling and how water supply redundancy and reliability may be advanced in the context of emerging environmental and climatic conditions.

TAWA will provide for the planning, permitting, design, construction, operation and financing of a redundant water supply source and requisite water treatment and transmission assets – options for which will be outlined by the regional optimization study. TAWA will own water supply assets developed to achieve redundancy and, at its sole discretion, may elect to establish these facilities as its primary water supply source. TAWA Represented Members' equity interests in TAWA owned facilities are derived solely through their TAWA membership and do not accrue to their individual jurisdictions.

## **6) Represented Membership (Parties)**

TAWA is to be governed by a Board of Trustees appointed to represent the interests of the Toledo area region in general and provide perspectives of the communities within the jurisdictions from which they are appointed. Originating Represented Members include:

- ◆ Fulton County, Ohio
- ◆ Lucas County, Ohio

- ◆ Maumee, Ohio
- ◆ Perrysburg, Ohio
- ◆ Sylvania, Ohio
- ◆ Toledo, Ohio
- ◆ Whitehouse, Ohio
- ◆ Originating Members by Contract with TAWA
  - Northwestern Water and Sewer District
  - Monroe County, Michigan

## **7) Represented Member Addition or Withdrawal During the Transition Period**

Following the TAWA Operational Effectiveness Date, Represented Member addition or withdrawal will be determined by the TAWA Board as prescribed under O.R.C. 6119. TAWA's Represented Membership may be modified by either withdrawal or addition of a member during the Transition Period as described below.

### **Addition During the Transition Period**

The TAWA Board of Trustees may approve the addition of a Represented Member only through a supermajority vote of the Board of Trustees. Any Represented Member addition action approved by the Board of Trustees must delineate modifications to the TAWA governance structure outlined below. New Represented Members will be required to pay a fee based on incurred TAWA Transition Costs and determined based on their projected maximum-day water usage relative to existing Represented Members. This admittance fee is payable on TAWA Board approval of the Represented Member addition. An Originating Represented Member that initially retains responsibility for its retail operations will not be required to pay an admittance fee in the event that it elects to have TAWA provide retail services. Non-originating Represented Members may join TAWA for delivery of wholesale or retail services. If such incoming Represented Members retain responsibility for retail services, they will be assessed an additional admittance fee in the event that they subsequently elect to have TAWA assume responsibility for retail service delivery.

If the TAWA Board denies a request to join, the interested Governmental entity may petition the Court of Common Pleas to seek Court approval of their joinder. The Court has the authority to force order the addition so long as the petitioning entity can show it is in the best interest of the group to grant such joinder.

### **Withdrawal During Transition Period**

In the event that a Represented Member elects to withdraw from TAWA between the execution of this Memorandum of Understanding and the date of the court granting a final order on the petition for establishment of the proposed regional water and sewer district (the "Final Order"), the withdrawing Represented Member will remain responsible for payment of its proportionate share of the Transition Costs.

## 8) Governance Structure

The Board of Trustees of the Authority shall be comprised of seven (7) voting members:

- a. Two members appointed by the Mayor of the City of Toledo
- b. One member appointed by the Lucas County Commissioners
- c. One member jointly appointed by the Mayors of Sylvania, Maumee and the Village of Whitehouse
- d. One member appointed by the Mayor of Perrysburg
- e. One member jointly appointed by the Fulton County Commissioners and the Board of Trustees of the Northwestern Water and Sewer District
- f. One member appointed by the Monroe County, Michigan Drain Commissioner.

In the event that representatives of two or more jurisdictions that are designated a single member appointment fail to agree on their appointment within 60 days of a Board of Trustee vacancy or term expiration, the appointment will be alternated between the jurisdictions with the first appointment made by the jurisdiction with the greater potable water usage over the prior 3- calendar year period.

In the event that one or more of the Original Represented Members identified herein elects to withdraw from TAWA prior to the appointment of the TAWA Board, representatives of the remaining TAWA Original Represented Members will agree upon reconstitution of TAWA Board membership. In the event that one or more of the Original Represented Members identified herein elects to withdraw from TAWA following appointment of the TAWA Board, the remaining TAWA members will determine by simple majority vote the applicable reconstitution of TAWA Board membership.

One City of Toledo Board member will have a four-year term, and all other Board members shall have three-year terms. Initial terms will enable establishment of staggered terms,<sup>4</sup> with no more than three members' terms expiring in same year. Each Board member shall serve at the will of and may be removed by the appointing Represented Member. Board members may not be elected officials or employees of TAWA Represented Members.

The Board of Trustees shall by its rules and resolutions provide the procedure for its actions, the manner of selection of its officers, their titles, compensation, duties, and any other lawful subject necessary to the operation of the Authority and the exercise of the powers granted as enumerated below and by reference to ORC 6119.

The TAWA Board of Trustees shall have at least two standing committees. An Audit and Finance Committee will have responsibility for oversight and policy direction related to TAWA

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<sup>4</sup> For example: Initial terms of 2 members from 2018 -2019, for 2 members from 2018-20, for 2 members from 2018-2021, the longer-term Toledo member from 2018-20

financial management including financial reporting in compliance with applicable law, bond disclosure requirements, and as prescribed herein. A Retail Services Committee will be composed of Board Members appointed by Represented Members who are served retail services by TAWA and at least one master-metered community representative. The Retail Services Committee will oversee aspects of TAWA operations and system development related specifically to delivery of retail services. The Retail Services Committee will evaluate TAWA retail rate alternatives, including rate design options to address economic development and water affordability objectives, and make recommendations to the TAWA Board in advance of its rate setting actions.

The Board shall act by simple majority vote, except that a supermajority (5/7) shall be required for:

- ◆ Appointment of the Authority's General Manager/Executive Director
- ◆ Approval of rates, fees and charges and rate-setting protocols
  - Economic development rates featuring intra-regional non-compete provisions
- ◆ Issuance of debt, which shall be revenue-backed debt
- ◆ Approval of an annual operating budget
- ◆ Biannual approval of a rolling 10-Year Capital Improvement Plan
- ◆ Adoption of a procurement policy
- ◆ Approval of acquisition or leases of water resource utility facilities (from any Represented Member, Contracting Community, or non-aligned entity)
- ◆ Approval of the addition of a Represented Member and associated revision to the Board of Trustee governance structure
- ◆ Recommending to the appointing Member the removal of its Board member

Not less than five (5) Board members shall possess a 4-year college degree or equivalent and at least seven (7) years of experience in a regulated industry, utility or industrial operation, or providing professional engineering, finance, accounting or legal services.

Compensation of Board members will initially be set at \$25,000 per annum to reflect the limited, part-time, policy guidance nature of Board members' responsibilities. The U.S. Consumer Price Index will be used to adjust regular annual compensation thereafter. In the first two years following the establishment of TAWA, Board members will receive \$15,000 per annum in special additional compensation in recognition of the exceptional level of effort anticipated to carry out Board member duties in this period. This compensation is in recognition of the responsibilities involved in oversight of TAWA including review of informational materials, attendance at regular TAWA Board meetings, and conduct of Board committee work. Reductions to Board member compensation may be determined by a supermajority vote of the TAWA Board.

The TAWA Board will hold public meetings not less frequently than quarterly to conduct TAWA business and provide opportunities for interested members of the public to address

the Board. The TAWA Board may elect to establish a Citizen's Advisory Committee to provide an ongoing mechanism for stakeholder engagement.

## 9) TAWA Powers (per ORC 6119)

TAWA's powers will include, as enabled by ORC 6119:

- (1) Sue and be sued in its own name;
- (2) Assume any liability or obligation of any person or political subdivision;
- (3) Make loans and grants to political subdivisions for the acquisition or construction of water resource projects by such political subdivision;
- (4) Acquire, construct, reconstruct, enlarge, improve, furnish, equip, maintain, repair, operate, lease or rent to or from, or contract for operation by or for, a political subdivision or person, water resource projects within or without the Authority;
- (5) Make available the use or service of any water resource project to one or more persons, one or more political subdivisions, or any combination thereof;
- (6) Levy and collect taxes and special assessments (with the exception of ad valorem taxes);
- (7) Issue bonds and notes and refunding bonds and notes;
- (8) Acquire by purchase or otherwise or by the exercise of the right of condemnation such public or private lands, including rights-of-way, property, rights, easements, and interests as it considers necessary for carrying out its purposes, but excluding the acquisition by the exercise of the right of condemnation of any waste water facility or water management facility owned by any person or political subdivision;
- (9) Exercise the power of eminent domain;
- (10) Merge or combine with any other regional water and sewer district into a single district;
- (11) Require the owner of any premises located within the district to connect the owner's premises to a water resource project determined to be accessible to such premises and found to require such connection so as to prevent or abate pollution or protect the health and property of persons in the district.

## 10) Financial Terms and Practices

TAWA will provide water resource utility services at rates that are fair and equitable to all customers served by Authority on a regional basis without regard to the political boundaries of Represented Members or Contracting Communities.

### a. Financial Limitations

- ◆ A financial obligation of the Authority shall be the financial obligation of the Authority only and not a financial obligation of a Represented Member or a constituent municipality (e.g. village within a Represented Member county) except to the extent a municipality that is a TAWA customer may have liability in that capacity.
- ◆ Represented Members shall retain complete responsibility for all separate obligations associated with systems that are not transferred to TAWA as well as

those systems' financial responsibilities to TAWA (e.g. wholesale rate payment obligations).

#### **b. Rate Setting Principles**

TAWA shall establish rates and charges for the provision of water resource utility services to Represented Members and Contracting Communities using methodologies outlined by authoritative water resource utility professional societies and technical associations. For drinking water utility services, rate setting practices will be consistent with guidance delineated by the American Water Works Association (AWWA) in its (M1) Manual of Practice: Principles of Water Rates, Fees and Related Charges. This guidance outlines rate setting practices to address specific needs of individual communities and systems, including as enumerated below, while providing a framework for equitable distributions of cost responsibilities among system users. In general, service rate design options developed in conjunction with cost-of-service analyses will include options to address economic development and low-income affordability in the TAWA service area.

#### **c. Rate Transitioning**

Rate transitioning will be based on the 8-year rate equalization plan developed through the TMACOG Regional Water Technical Committee, adjusted to provide for Represented Members' payment of allocated Transition Costs over a 2-year period following the Operational Effectiveness Date.<sup>5</sup>

#### **d. Cost of Service Analysis**

The TAWA Board will have a cost of service study completed no later than 2 years following the Operational Effectiveness Date and updated no less than triannually. TAWA cost-of-service studies will employ industry accepted cost allocation methods (guidance for which is provided by the American Water Works Association) that distribute costs to utility system functions, service characteristics, and customer classes (e.g., wholesale vs. retail), provide for common-to-all lease or asset purchase payment allocations, and include development of rate transitioning alternatives. To the extent that cost-of-service analyses indicate that service rates require significant adjustment to reflect allocated costs for any one Represented Member, multi-year rate adjustments will be implemented to ensure smooth transitioning of service rates under the above-described rate setting principles.

#### **e. Leased, Purchased, and Owned Regional System Assets**

During the transition period, the TAWA Board and regional system asset owners will negotiate agreement(s) for TAWA's purchase of regional system assets (the Purchase Arrangement), execution of which is a condition precedent to the Authority. This asset

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<sup>5</sup> See, for example, TMACOG Regional Water Planning (RWP) Technical Sub-Committee presentation dated January 24, 2017.

purchase may be effected through a lease-to-own arrangement as outlined in Section 10.d. (1) or through a third-party financing arrangement as outlined in Section 10.d. (2).

### **(1) Leased Assets**

The City of Toledo (and other Represented Members) may lease Regional Drinking Water System assets to the Authority for a term of 30 years (the "Lease"). In the event, lease payments for Regional Drinking Water System assets will extend over the 30-year lease period and will be calculated as outlined below. Upon completion of the 30-year lease term, the TAWA Board and asset lessors will transfer ownership of the leased assets and the real property on which it is situated to the Authority.

Lease payments will be a "common-to-all" TAWA expense included in annual TAWA revenue requirements determined through the TAWA rate study process – and will commence with transitioning to TAWA cost-of-service based rates and no later than 2 years following the Operational Effectiveness Date.

Lease payments over the 30-year lease term will be based on the Net Present Value (NPV) of 30 annual payments calculated by applying a rate of return to designated asset values excluding real property, plus payment for purchase of the real property where the leased assets are situated. This NPV amount may be expressed in terms of equal annual payments discounted using a 3 percent discount rate. In no event will the 30-year NPV of the calculated lease payments (excluding the consideration for real property acquisition) exceed the equivalent of \$12 million per year nor be less than the NPV equivalent of \$6 million per year (discounted at 3 percent).

The specific lease payments reflecting the schedule for payment declining to zero dollars over the 30-year lease period will be incorporated into the asset lease. Options for the designation of asset values, applicable rates of return, consideration for real property acquisition, and the lease payment schedule will be developed by a sub-committee of TAWA Represented Member designees for consideration by the parties engaged in development of lease terms and conditions.

The return amount, consistent with water industry standard practice, provides recognition of historical City of Toledo ownership of water system assets. Water resource utility system ownership returns may be used to finance City of Toledo retail system improvements or mitigate rate adjustments but may not comprise a transfer to the City of Toledo General Fund.

Lease payments are based on assets conveyed on the TAWA Operational Effectiveness Date and not on asset values derived from improvements or upgrades financed and developed under TAWA auspices. TAWA financed leasehold improvements will not be considered as contributing to the value of leased assets for purposes of lease payment calculation. Other exclusions include Represented Members' retail system asset values, and assets contributed or granted to the lessor.

In the event that Regional Drinking Water System assets are defined to include assets owned by other Originating Represented Members, those Represented Members will be entitled to lease payments determined using a similar calculation procedure and applying the same rate of return as used for Toledo drinking water system assets.

### **(2) Purchased Assets**

The City of Toledo (and other Represented Members) may sell its Regional Drinking Water System assets to the Authority through a third-party financing arrangement. In the event, asset owners will transfer ownership of their assets (including the real property on which it is situated) to the Authority as soon as practicable following execution of the Purchase Agreement contemplating third-party financing. The third-party financing provider will be entitled to a pledge of TAWA revenues to affect the financing including all applicable transaction and issuance costs.

The term of TAWA payments of third party financing obligations may not exceed 30-years. These payments will be subordinate to assigned or prospective TAWA revenue bond obligations. The specific third-party financing payments will be based on factors including, but not limited to, designations of asset values, associated outstanding indebtedness, and prospective third-party financing terms and conditions inclusive of applicable transaction and issuance costs. The Purchase Agreement payment schedule will be developed through negotiations with third-party financing providers by a sub-committee of TAWA Represented Member designees, and subject to TAWA Board approval as a condition precedent to the Authority. Payments to third-party financing parties will be a "common-to-all" TAWA expense included in annual TAWA revenue requirements determined through the TAWA rate setting process.

Water resource utility system ownership transfer payments may be used for purposes allowed under State of Ohio law.

In the event that Regional Drinking Water System assets are defined to include assets owned by other Originating Represented Members, those Represented Members will be entitled to enter into Purchase Agreements using a similar procedure as used for Toledo drinking water system assets.

### **(3) Owned Assets**

TAWA will own, operate and maintain assets financed and developed through TAWA sources of funds including, but not limited to, operating revenues, grants and contributions following the Operational Effectiveness Date. TAWA will own or retain a financial interest in leasehold improvements made to those facilities, including improvements at the Collins Park Water Treatment Plant, leased to deliver regional water resource services.

TAWA's entry into lease agreements for Regional Water Resource Utility assets will incorporate provisions such that TAWA will hold a financial interest in TAWA financed leasehold improvements. In the event of lease termination, the lessor will be required to pay TAWA for the current value of the leasehold improvements. Leasehold improvement values will be determined through an independent assessment, benchmark values for which will be calculated based on the methods described above for lease of City of Toledo assets.

TAWA will prepare financial statements reporting on, among other items, its owned and leased assets as an independent political jurisdiction as provided under ORC 6119. TAWA will also provide financial reporting to Represented Members on its leased and owned assets, sources and used of funds, and service rate calculations as outlined in the Rate Calculation and Financial Reporting section below.

**f. TAWA Water Assistance Program (TWAP)**

TAWA will include in annual revenue requirements an amount initially equal to 1.0% of projected Regional Water Resource Utility revenues for deposit to an independently administered Toledo Area Water Assistance Program (TWAP) account. These funds will be dedicated to providing assistance to indigent local customers throughout the Regional Water Resource Utility service areas who agree to take appropriate actions to manage payment delinquencies and use water efficiently. TWAP eligibility criteria will be established by the TAWA Board and will apply to all retail residential customers of Represented Members. TWAP funding will be allocated to Regional Water Resource Utility ratepayers as a "common-to-all" expense shared in proportion to system usage. Following 2 years of TWAP operation, the TAWAP will be independently evaluated and funding level recommendations developed for TAWA Board of Trustee consideration.

**g. TAWA Lead Risk Mitigation Program (TLRMP)**

TAWA will include in annual revenue requirements an amount equal to not less than 2.5% of the estimated costs to effect full lead service line replacements (or implementation of protective lead risk mitigation technologies recommended by the USEPA and American Water Works Association) in the TAWA Represented Members service areas. Cost estimates will be provided through an independent study to be completed in no more than 1 year following the TAWA Operational Effectiveness Date. That independent study will also provide recommendations on prospective funding levels for TAWA Board of Trustee consideration. The revenue requirement allocation will be placed in a separately administered account to mitigate lead risks through a Toledo Lead Risk Mitigation Program (TLRMP). TLRMP funding will be allocated to Regional Drinking Water Utility ratepayers as a "common-to-all" expense shared in proportion to retail residential customer account populations. Performance information on the TLRMP program, including the number of full lead service line replacements performed, remaining inventory, status of lead in drinking water mitigation measures, and geographic distribution of program activity will be reported not less than annually.

#### **h. Tax Exempt Status of TAWA Bonds**

The transfer of the Regional Drinking Water Utility assets through the above-described Purchase Agreement is not intended to cause impairment of tax treatment of outstanding bonds. New debt and refunding bonds are to be issued on a tax-exempt basis to the extent allowable by applicable law.

#### **i. Rate Calculation and Financial Reporting**

TAWA shall commit to and adopt financial reporting practices that provide for transparency in system rate setting, utility operations maintenance repair and replacement, and capital financing.

##### **(1) Rate Calculations**

TAWA shall conduct an independent cost-of-service analysis referencing industry standard guidance within 2 years of the Operational Effectiveness Date and not less frequently than once every 5 years. These analyses, as well as annual updates of the rate calculations, will be disclosed in detail to all Represented Members under an annual rate setting schedule that provides Represented Members not less than 1 month of advance notice of proposed rates prior to Board of Trustee consideration and adoption. Rate calculation information to be provided to Represented Members will include, but not be limited to:

- Projections of system billing determinants (e.g., accounts and usage by Represented Member, Contracting Community, or customer class)
- Projected Operations and Maintenance (O&M) expenses by major account classification (e.g., personnel, commodities, contractual expenses, major maintenance)
- Projections of capital financing costs including planned amounts of cash-funded capital expenditures and debt service expenses
- Projected reserve amounts and fund balances
- Rate increases required to sustain compliance with financial performance targets

##### **(2) Utility Operations and Maintenance**

TAWA shall provide reports to Represented Members, not less frequently than once per year, on the performance of water resource utility operations and maintenance. This reporting will include, at a minimum, information on budget vs. actual expenditures, monthly system performance (e.g., water production, maximum-day usage, estimated non-revenue water), and customer service metrics. TAWA shall review and implement best management practices using methodologies outlined by authoritative water resource utility professional societies and technical associations.

##### **(3) Capital Financing**

TAWA shall provide reports to Represented Members, not less frequently than once per year, information on the implementation of the TAWA capital program. This information will include, but not be limited to, projected vs. actual capital project expenses (by project),

projected vs. actual project completion dates, projected debt service expenses including existing and planned indebtedness, and TAWA's capital structure.

#### **j. Financial Policies**

The TAWA Board of Trustees shall adopt financial policies to ensure the long-term financial integrity of the TAWA system (in consult with its designated financial advisors and bond counsel). These financial policies may address procurement practices, investment practices, fund structure, capital improvement planning and finance (including use of debt, targeted debt service coverage, reserve types and amounts). The TAWA Board, on its inception, will include a minority participation goal of no less than 10% of projected expenses on capital projects.

#### **k. Project Labor Agreement**

The TAWA Board will negotiate an agreement with the Northwest Ohio Building Trades to provide for a project labor agreement on all water resource project expenditures in excess of \$100,000.

### **11) TAWA Transition Costs**

Transition Costs will initially be funded from Originating Represented Members, reimbursement of which may be provided by inclusion of these costs in TAWA revenue requirements following the Operational Effectiveness Date. Transition Costs will be allocated to Originating Represented Members in proportion to their maximum-day water system usage during the prior 3 - calendar year period. A Transition Cost budget estimate is to be compiled and presented to prospective Originating Represented Members not less than 1 month prior to the planned date of MOU execution.

### **12) Plan for TAWA Operation**

After the Petition(s) are filed, the Courts of Common Pleas will be asked to approve a preliminary order pursuant to ORC 6119.04 and order, among other things, that the TAWA Board of Trustees is to prepare a Plan of Operation for the district and file such Plan of Operation with the Courts within 6 months from the date of the preliminary order or within further time or times that the courts from time to time may order. The Plan for TAWA Operations will be completed and approved by the TAWA Board of Trustees. Represented Members on the Toledo Metropolitan Area Council of Governments (TMACOG) Regional Water Planning (RWP) Technical Sub-committee will oversee preparation of the Plan for TAWA Operations. Costs for preparation of the Plan shall be included as Transition Costs and thereby ultimately paid in proportion to maximum-day usage by Represented Members. The Plan for TAWA Operations will address requirements to ensure safe, redundant, and effective drinking water utility services to all Represented Members and Contracting Communities, including but not limited to compliance with all relevant federal and state regulations over drinking water utility services.

- To the extent practicable, the Plan for TAWA Operation will identify opportunities to achieve overall cost efficiencies through regional collaboration.
- The Plan of Operation will provide an initial delineation of Regional Drinking Water System assets and prospective master metering requirements for Represented Members and contract communities. To the extent practicable, TAWA Represented Members and contract communities shall have operational master meters at each entry point into their distribution systems. TAWA will conduct a master metering evaluation within 1 year of the TAWA Operational Effectiveness Date to develop a plan for service metering of all then current Represented Members and Contract Communities. Future Represented Members or Contract Communities will be expected to be master-metered upon connection to the TAWA system.
- The Plan for Operation will estimate the costs of shared services (e.g., legal, human resources, engineering, finance) provided by individual Represented Members' general government operations and delineate how these services will be delivered to TAWA under a shared services contract. In the event that TAWA elects to self-perform or separately contract for services provided by a Represented Member, it will provide no less than a 90 day notice to that Represented Member of the termination of those shared services and requirements for associated modifications to the shared services contract.
- The Plan for Operations will develop a preliminary TAWA Organization Chart outlining the basic personnel structure of the Authority, reporting relationships, and position numbers, descriptions, responsibilities and minimum qualification requirements.
- Existing Represented Member vendor contracts required for operation of the Regional Drinking Water Utility System will be assigned to TAWA, which shall assume same.

The TAWA Board of Trustees may extend the period for completion through a simple majority vote of the Board but under no circumstances may the completion period exceed 18 months from the filing of petition(s) for the creation of the Authority or beyond the Operational Effectiveness Date of the Authority.

### 13) Human Resources

TAWA will be a successor employer to Represented Member staff transferring to the Authority including (but not necessarily limited to) City of Toledo Public Utilities Department – Water Division staff currently employed to operate, maintain and develop the Regional Drinking Water Utility system assets. TAWA will assume and honor all collective bargaining agreements governing transferred staff's employment, seniority, pensions and benefits.

TAWA will establish immediate employment terms that are at least equivalent to those currently in place for current drinking water utility staff. Within 1 year of TAWA's Operational Effectiveness Date, TAWA will have conducted a drinking water utility compensation survey and assess compensation levels relative to similarly situated utilities in the drinking water

utility marketplace. TAWA will engage with representatives of organized labor whose bargaining units represent current drinking water utility staff members to address employment compensation and work rules with the intent of ensuring TAWA competitiveness and commitment to service quality. TAWA will negotiate to establish union collective bargaining agreements for contract periods determined by mutual agreement, and will renegotiate those agreements over the duration of TAWA operations.

The TAWA Board will also establish policies and programs to address, at a minimum, workplace safety, employee training and development, knowledge retention and transfer, and succession planning. TAWA will work collaboratively with organized labor representatives to design these programs and will provide reporting of key (agreed upon) performance metric not less than annually to the TAWA Board of Trustees.

## **14) Capital Improvements**

TAWA will develop and approve a 10-year Capital Improvement Program (CIP) within 1 year of its Operational Effectiveness Date, and develop rolling 10-year program updates not less than biannually. The CIP will establish a projected schedule and cost estimates for capital projects to be financed and constructed by TAWA. The CIP will be developed to ensure continued compliance with all applicable regulatory requirements. TAWA's CIP will be developed to, among other objectives, optimize regional water supply and treatment capacity and ensure safe, redundant, reliable water resources services in compliance with all applicable federal and state regulatory requirements.

In conjunction with its capital program financing and implementation, the TAWA Board will evaluate entry into a Community Benefits Agreement with community representatives from each Represented Member. Community representatives may be appointed using the same protocol as that established for appointment of the TAWA Board of Trustees. Community Benefits expenditures aligned to CIP spending may not exceed 1% of capital project expenditures.

## **15) Strategic Planning / Service Integration Assessment**

TAWA will conduct a strategic planning effort and issue a Strategic Plan not less than once every 5 years. The strategic plan will address, among other subjects, TAWA's organizational structure, prospective TAWA goals and objectives, regional optimization opportunities, TAWA's role in regional water resource management initiatives, and the regulatory landscape.

A requirement of the TAWA Strategic Planning process will be the evaluation of the potential benefits and costs of TAWA's assumption of responsibility for additional water resource utility operations. These consolidation assessments may include, but are not limited to:

- Evaluation of the integration of Represented Member retail water resource utilities within the TAWA scope of services.
- Evaluations of TAWA delivery of wastewater disposal, stormwater management and/or water reuse services, either on a wholesale or retail basis, for Represented Members or Contracting Communities.

System consolidations may be implemented upon the mutual agreement of the TAWA Board and the governing boards of Represented Members or contract communities following public hearings.

## **16) Systems Management for Benefit of All Customers**

It is the Represented Members' expectation that the Authority will use its best efforts to manage the Regional Water Resource Utility for the benefit of all Authority customers. Upon commencement of operations, TAWA will review and revise as necessary prior City of Toledo and/or regional drinking water supply or master planning studies. In reviewing those plans, TAWA will use its best efforts to optimize the capacity of water supply systems within a broadly defined geographic area to fully leverage potential access to economic sources of high-quality water supplies and realize available economies of scale. The TAWA Board will take into account the needs of the region in planning and operating its Water Resource Utility Systems and will strive to become the provider of choice in the Toledo region.

## **17) Originating Represented Member Water Supply Contracts**

Existing customer communities of the City of Toledo, as well as the City of Toledo itself, may only become originating TAWA Represented Members through execution of new, individual, 30-year water supply contracts with TAWA under terms and conditions consistent with this MOU. Provisions of individual water supply contracts, particularly that with the City of Toledo, may reflect differences in the physical attributes of the Represented Members' water utility systems to, for example, accommodate differences in regional system connection and metering configurations.

TAWA will establish a uniform water supply contract with provisions that accommodate Section X: Financial Terms and Practices.

In the event that TAWA leases or purchases through 3<sup>rd</sup> party financing the City of Toledo Regional Drinking Water System Assets, existing City of Toledo water supply contracts will be terminated and TAWA Represented Members will be placed under the TAWA uniform contract. Upon termination of the existing City of Toledo water supply contracts, any revenue sharing, JEDZ or similar contracts or relationships associated with, related to or based upon the terminated water supply contracts also shall be terminated and not assigned to TAWA. Contract communities that do not elect to join TAWA will be subject to renegotiation of contract terms with TAWA.

## 18) Stakeholder Engagement / Public Information

Prior to the filing of the Petition and pursuant to the Ohio Revised Code Section 6119.02 (B), petitioners shall hold a public meeting for the purpose of receiving comments. In addition, TAWA representatives will provide not less than one public briefing before the governing boards of each Represented Member, and not less than two “at large” public hearings to address questions of the general public regarding the creation of TAWA.

To the extent practicable, TAWA will engage Represented Members’ staff members and associates in the TAWA implementation planning process to be conducted between the petition filings and Operational Effectiveness Date.

The TAWA Board of Trustees will hold its Board meetings and establish a protocol for hearing public comment on proposed Board actions. In addition, TAWA will establish a stakeholder engagement / public information protocol that:

- In collaboration with the Toledo Water Improvement Program and area environmental interest organizations, provides accurate and timely information regarding source water quality and conditions of regional lakes and rivers.
- Provides accurate, timely information on water resource utility performance including system production, regulatory compliance, lead risk management activities, and customer service metrics

TAWA shall make every effort to have employees that reside, and vendors that conduct business, within the Represented Members’ service areas engaged in the conduct of its operations and capital construction program.

## 19) Interim Policies

The TAWA Board of Trustees will develop and adopt policies and procedures to guide TAWA Board deliberations (e.g., basis for executive sessions, public hearings), operations, capital financing (including grant applications), procurement and other aspects of regional water resource utility management as appropriate. The TAWA Board will reference policies and practices employed by other regional water resource systems, and by other major metropolitan utilities in the State of Ohio. In advance of TAWA Board adoption of specific policies related to, at a minimum, procurement practices, ethics, and financial reporting, TAWA will conform to the policy requirements defined in Ohio Revised Code on these matters.

## 20) Transition Group

For purposes of ensuring continuity and facilitating the TAWA Board’s understanding of the policy intent of the Originating Represented Members, non-elected participants in the meetings used to draft this MOU may be appointed to a Transition Group. The TAWA Board will meet with the Transition Group within 60 days of the appointment of the TAWA Board. The Transition Group may be called upon, at the TAWA Board’s discretion, to review and

advise the TAWA Board. The Transition Group will jointly develop a report on the stand-up of the Authority and its consistency with provisions of the MOU within 9 months following the Operational Effectiveness Date. This report will be submitted to the governing boards of the Originating Represented Members.

## **21) Dispute Resolution**

Disagreements between TAWA, as represented by its Board of Trustees, and an individual Represented Member, Contracting Community, vendor, employee or member of the public that may not be resolved amicably through discussion and negotiation between parties will be subject to Alternative Dispute Resolution prior to commencement of litigation.

## **22) Conditions Precedent to the Authority**

The Operational Effectiveness Date is subject to the negotiation and execution of definitive documentation and the receipt of all required consents and approvals required for the transactions contemplated herein (together the “Conditions Precedent”) including, but not limited to, the following:

- The Represented Members shall have established the Authority and the Board will have adopted an ordinance or resolution addressing all matters for which an ordinance is required to permit the contemplated transactions and operation of the Regional Drinking Water System by the Authority.
- The Authority shall have secured all necessary permits and other approvals to operate the Drinking Water Utility System.
- The Authority and the City of Toledo shall have negotiated the Purchase Agreement, an agreement regarding the operation and management of the Toledo retail system effective on the Operational Effectiveness Date, and an agreement relating to the provision of services on a transitional basis by the City of Toledo to the Authority.
- The Authority will have developed terms and conditions by which services currently provided by Represented Members’ general government operations will be provided or supplanted. TAWA will provide not less than 90 days to notice its election to discontinue services and payments thereon from Represented Members. The resultant shared service agreement will be structured to transition reductions in payments to existing providers over not less than a 1-year period following the Operational Effectiveness Date.
- The Authority shall have been established as a public employer under Ohio law – and provided for TAWA to serve as a successor employer of current employees engaged in the operations, maintenance and capital improvement of the Regional Drinking Water System. Successor employee pension amounts retained in the Ohio Public Employee Retirement System and benefit balances will be preserved
- The City of Toledo shall have assigned to TAWA, to the extent practicable, retail water supply contracts (including raw water supply contracts), appropriate vendor contracts required to maintain uninterrupted, consistent operations and maintenance of the Regional Drinking Water System.

- The Represented Members shall have entered into 30-year water supply contracts<sup>6</sup> with the Authority, the revenues from which may be pledged by TAWA to secure bonded indebtedness.
- The TAWA Board will have secured the terms for consent to the purchase (through lease or third-party financing) of the Regional Drinking Water System to the Authority from a majority of holders of City of Toledo water system bonds and any applicable credit enhancers or Toledo water system bonds will be defeased by the issuance of debt by TAWA of an amount sufficient to defease outstanding obligations of the City of Toledo water system bonds and completion of any necessary defeasance proceedings at TAWA expense.

It is the intent to complete as many conditions precedent as practicable prior to the Final Order.

## 23) Legal Effect

The individual signatories below confirm the substantive discussions between the parties identified herein regarding creation of the TAWA and the mutual understandings and preliminary agreements regarding the general terms and conditions of the Plan of Operation. Recommendation of this MOU does not create a binding contract among the parties or a binding agreement to agree. This MOU is a summary of terms, and while the parties appear to agree in principle to the contents hereof and propose to proceed promptly and in good faith to work out arrangements with regard to creation of the TAWA, the execution of this MOU on behalf of the legislative authorities of the participating parties and filing of petitions to create a chapter 6119 entity on behalf of the legislative authorities of the respective parties is subject to each such party's legislative or other required authorizations, and the expiration of all applicable referendum periods with respect to such legislative authorization. The parties do not intend to be legally bound or otherwise incur any obligations with respect to the creation of the TAWA until such time as the MOU is duly authorized, executed and delivered by such party and petitions to the Courts of Common Pleas filed.

## Recommended by Represented Members' Officials

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Ziad Musallam, Director/Sanitary Engineer, Fulton County, Ohio

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<sup>6</sup> The form of the water supply contracts may differ to reflect TAWA's provision of wholesale and / or retail services and to recognize differences in metering configurations.

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Commissioner Pete Gerken, Lucas County, Ohio

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Mayor Rich Carr, City of Maumee, Ohio

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David P. Thompson, Monroe County (Michigan) Drain Commissioner

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Jerry Greiner, President, Northwestern Water and Sewer District, Ohio

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Mayor Thomas Mackin, City of Perrysburg, Ohio

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Mayor Craig Stough, City of Sylvania, Ohio

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Mayor Wade Kapszukiewicz, City of Toledo, Ohio

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Mayor Don Atkinson, Village of Whitehouse, Ohio

**ORDINANCE NO. 1 -2018**

**AUTHORIZING THE MAYOR AND DIRECTOR OF FINANCE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING PROVIDING FOR THE DEVELOPMENT OF A PLAN OF OPERATION FOR AN OHIO REVISED CODE CHAPTER 6119 ENTITY TO BE ESTABLISHED TO PROVIDE REGIONAL WATER RESOURCE UTILITY SERVICES TO BE KNOWN AS THE TOLEDO AREA WATER AUTHORITY (“TAWA”); RATIFYING THE MAYOR’S SIGNATURE TO THE MEMORANDUM OF UNDERSTANDING ON JANUARY 31, 2018; AUTHORIZING THE DIRECTOR OF LAW TO PARTICIPATE IN THE FILING OF THE PETITION FOR THE CREATION OF THE OHIO REVISED CODE CHAPTER 6119 ENTITY; AND DECLARING AN EMERGENCY.**

WHEREAS, Lake Erie provides the Northwest Ohio and Southeast Michigan region with perhaps its greatest asset – one of the world’s largest supplies of fresh water; and,

WHEREAS, Lake Erie provides water for the health, recreation, commerce, economic development, and jobs for hundreds of thousands of residents in the region; and,

WHEREAS, an additional water supply and treatment facility, together with regional water system interconnectivity, will create redundancy for a safe water supply to protect all residents and businesses during an emergency; and,

WHEREAS, representatives of several of the region’s water utility service providers and consumers have worked collaboratively to develop and recommend a Memorandum of Understanding providing the framework for an Ohio Revised Code Chapter 6119 entity to serve as a Regional Water Resource Utility designated as the Toledo Area Water Authority (TAWA); and,

WHEREAS, the framework for a Regional Water Resource Utility provides for shared and collaborative Chapter 6119 entity governance, rate setting based on the costs to provide service, and transparent financial reporting; and,

WHEREAS, TAWA will be best positioned to provide a long-term capital infrastructure planning and financing solution; and,

WHEREAS, the Memorandum of Understanding is attached hereto as “Exhibit A.”

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Sylvania, Lucas County, Ohio, \_\_\_\_\_ members elected thereto concurring:

SECTION 1. That the Mayor and the Director of Finance be, and they hereby are, authorized to sign the proposed Memorandum of Understanding regarding the formation of the Toledo Area Water Authority (“TAWA”) and the Mayor’s signature to the Memorandum of Understanding dated January 31, 2018 is hereby ratified.

SECTION 2. That the City of Sylvania supports the creation of the Ohio Revised Code Chapter 6119 entity (TAWA) as delineated in the Memorandum of Understanding recommended by representatives of prospective TAWA members on January 31, 2018.

SECTION 3. That the City of Sylvania’s intent to become a TAWA Represented Member is not contingent on any other regional water service providers joining TAWA.

SECTION 4. That the City of Sylvania will take actions necessary, including the filing of Ohio Revised Code Chapter 6119 Petition to the Court of Common Pleas as applicable, to create the Chapter 6119 entity, all under the supervision of the Director of Law.

SECTION 5. That the City of Sylvania will fund its proportionate share of the Transition Costs, which costs are currently estimated to be \$150,000, defined in the Memorandum of Understanding to provide resources to establish the TAWA, develop the Plan of Operation, and effect the Conditions Precedent required prior to the TAWA Operational Effectiveness Date.

SECTION 6. That the City of Sylvania finds that a Regional Water Resource Utility is the region’s best long-term means to provide a safe, reliable, and plentiful supply of potable water with redundant infrastructure and interconnectivity between neighboring systems to ensure safe drinking water in emergency situations.

SECTION 7. That the City of Sylvania supports gradual transitioning of regional water utility rates guided by evaluation of the cost of water service using industry accepted guidance and transparent financial reporting.

SECTION 8. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in

such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

SECTION 9. That the Clerk of Council is hereby directed to post a copy of this Ordinance in the Office of the Clerk of Council in the Municipal Building pursuant to ARTICLE III, Section 12, of the Charter of this City.

SECTION 10. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, property and welfare and for the further reason that the Memorandum of Understanding should be entered into to provide for the creation of an Ohio Revised Code Chapter 6119 entity to provide regional water resources at the earliest possible time. Provided this Ordinance receives the affirmative vote of five (5) or more members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force thirty (30) days after it is approved by the Mayor or as otherwise provided by the Charter.

Vote dispensing with the second and third readings:           Yeas \_\_\_\_\_ Nays \_\_\_\_\_

Passed, \_\_\_\_\_, 2018, as an emergency measure.

\_\_\_\_\_  
President of Council

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
Director of Law

APPROVED:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

**ORDINANCE NO.   2  -2018**

**APPROVING THE FIRST AMENDMENT TO COMMERCIAL REAL ESTATE PURCHASE AGREEMENT OF REPUBLIC DEVELOPMENT, LLC AND J.C. HART COMPANY, INC. TO PURCHASE THE CITY'S REAL ESTATE KNOWN AS THE SOMO PROPERTY LOCATED ALONG MONROE STREET; AUTHORIZING THE MAYOR AND THE DIRECTOR OF FINANCE TO ACCEPT SAID FIRST AMENDMENT TO REAL ESTATE PURCHASE AGREEMENT ON BEHALF OF THE CITY OF SYLVANIA; DETERMINING SAID REAL ESTATE TO BE NO LONGER NEEDED FOR MUNICIPAL PURPOSES; AND DECLARING AN EMERGENCY.**

WHEREAS, Ordinance No. 26-2017, passed March 6, 2017, approved the Offer to Purchase of Republic Development, LLC and J.C. Hart Company, Inc. to purchase the City's real estate known as SOMO along Monroe Street at a sales price of \$1,200,000; and,

WHEREAS, the terms of the Offer to Purchase provide for three (3) 30-day extensions following the expiration of the 240 day Approval Period and the final extension expires February 6, 2018; and,

WHEREAS, Republic Development, LLC and J.C. Hart Company, Inc. have submitted a First Amendment to Real Estate Purchase Agreement to provide for two additional thirty-day extension periods, which First Amendment to Real Estate Purchase Agreement is now on file with the Clerk of this Council.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Sylvania, Lucas County, Ohio, \_\_\_\_\_ members elected thereto concurring:

**SECTION 1.** That this Council hereby finds and determines that the real estate known as the SOMO Property located along Monroe Street in the City of Sylvania is no longer needed for any municipal purpose.

**SECTION 2.** That the First Amendment to Real Estate Purchase Agreement, submitted by Republic Development, LLC and J.C. Hart Company, Inc. for the purchase of the SOMO Property is hereby approved and the Mayor and Director of Finance be, and they hereby are, authorized to accept said First Amendment to Offer to Purchase on behalf of this City.

SECTION 3. That the method, manner, consideration and procedure for the sale of said City owned real estate is hereby determined to be as set forth herein and as approved by this Ordinance and it is hereby determined that the sale of said real estate as hereby approved complies with those requirements.

SECTION 4. That the Mayor and Director of Finance be, and they hereby are, authorized to execute and deliver a Warranty Deed for said premises prepared by the Director of Law and they are hereby authorized to so any and all things necessary and incidental to facilitate the closing on said sale of real estate, all under the supervision of the Director of Law.

SECTION 5. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 6. That the Clerk of Council is hereby directed to post a copy of this Ordinance in the Office of the Clerk of Council in the Municipal Building pursuant to ARTICLE III, Sections 11 and 12, of the Charter of this City.

SECTION 7. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, property and welfare and for the further reason that this City must act on the First Amendment to the Purchase Agreement immediately or lose the benefits thereof and therefore this Ordinance should be effective forthwith. Provided this Ordinance receives the affirmative vote of five (5) or more members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force thirty (30) days after it is approved by the Mayor or as otherwise provided by the Charter.

Vote dispensing with the second and third readings:           Yeas \_\_\_\_\_ Nays \_\_\_\_\_

Passed, \_\_\_\_\_, 2018, as an emergency measure.

ATTEST: . . .

\_\_\_\_\_  
President of Council

\_\_\_\_\_  
Clerk of Council  
APPROVED:

APPROVED AS TO FORM:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Director of Law

\_\_\_\_\_  
Date

ORDINANCE NO. 3 -2018

**GRANTING A LICENSE TO INSIDE THE FIVE BREWING TO ENTER A PORTION OF CITY OWNED RIGHT-OF-WAY TO INSTALL AND MAINTAIN AN INGRESS/EGRESS RAMP; AUTHORIZING THE MAYOR AND DIRECTOR OF FINANCE TO SIGN THE LICENSE AGREEMENT; AND DECLARING AN EMERGENCY.**

WHEREAS, Inside the Five Brewing has requested a license over a portion of City right-of-way to install an ingress/egress ramp at 5703 N. Main St., Sylvania, Ohio; and,

WHEREAS, the granting of said License Agreement as set forth in "Exhibit A" will permit Inside the Five Brewing to properly install and maintain the ingress/egress ramp at 5703 N. Main St., Sylvania, Ohio.

NOW, THEREFORE BE IT ORDAINED by the Council of the City of Sylvania, Lucas County, Ohio, \_\_\_\_\_ members elected thereto concurring:

SECTION 1. That the License Agreement set forth above as "Exhibit A" is hereby granted and the Mayor and Director of Finance are hereby authorized to evidence the granting of said License Agreement by signing said Agreement on behalf of this City.

SECTION 2. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. That the Clerk of Council is hereby directed to post a copy of this Ordinance in the Office of the Clerk of Council in the Municipal Building pursuant to ARTICLE III, Section 12, of the Charter of this City.

SECTION 4. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, property and welfare and for the further reason that the License should be granted forthwith so as to permit Inside the Five Brewing to install an ingress/egress ramp. Provided this Ordinance receives the affirmative vote of five (5) or more members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force thirty (30) days after it is approved by the Mayor or as otherwise provided by the Charter.

Vote dispensing with the second and third readings:      Yeas \_\_\_\_\_ Nays \_\_\_\_\_  
Passed, \_\_\_\_\_, 2018, as an emergency measure.

ATTEST: \_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
President of Council

APPROVED AS TO FORM:  
\_\_\_\_\_  
Director of Law

APPROVED:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

**ORDINANCE NO. 4 -2018****REVISING THE ADMINISTRATIVE, DEPARTMENTAL AND DIVISIONAL ORGANIZATION OF THE CITY AND THE CODIFIED ORDINANCES THEREOF BY AMENDING SYLVANIA CODIFIED ORDINANCE SECTION 139.02 TO CHANGE THE CLASS GRADE OF THE CHIEF PROBATION OFFICER FROM CLASS GRADE 15 TO CLASS GRADE 21; AND DECLARING AN EMERGENCY.**

WHEREAS, the Chief Probation Officer position has been vacant for the past six years;  
and,

WHEREAS, the Judge of the Sylvania Municipal Court intends to fill that position,  
however the Class Grade should be increased from Class Grade 15 to Class Grade 21 to adjust for  
the vacancy in the position of the past six years and to be competitive with other area Chief  
Probation Officer salaries; and,

WHEREAS, therefore, the Chief Probation Officer position should be amended as set forth  
on the attached "Exhibit A."

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Sylvania, Lucas  
County, Ohio, \_\_\_\_\_ members elected thereto concurring:

SECTION 1. That Section 139.02 of the Codified Ordinances of Sylvania, 1979,  
as amended, be and it is, hereby further amended to read as set forth on the attached "Exhibit A"  
effective on and after February 6, 2018.

SECTION 2. It is hereby found and determined that all formal actions of this Council  
concerning and relating to the passage of this Ordinance were adopted in an open meeting of this  
Council, and that all deliberations of this Council and of any of its committees that resulted in such  
formal action, were in meetings open to the public, in compliance with all legal requirements  
including Section 121.22 of the Ohio Revised Code.

SECTION 3. That the Clerk of Council is hereby directed to post a copy of this  
Ordinance in the Office of the Clerk of Council in the Municipal Building pursuant to ARTICLE  
III, Section 12, of the Charter of this City.

SECTION 4. That this Ordinance is hereby declared to be an emergency measure  
necessary for the immediate preservation of the public peace, health, safety, property and welfare  
and for the further reason that the amendment to this Chapter should be provided for immediately.

Provided this Ordinance receives the affirmative vote of five (5) or more members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force thirty (30) days after it is approved by the Mayor or as otherwise provided by this Charter.

Vote dispensing with the second and third readings:        Yeas \_\_\_\_\_ Nays \_\_\_\_\_

Passed, \_\_\_\_\_, 2018, as an emergency measure.

ATTEST:

\_\_\_\_\_  
President of Council  
APPROVED AS TO FORM:

\_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
Director of Law

APPROVED:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

139.02 CONTENT AND COVERAGE OF THE COMPENSATION PLAN.

(a) Classes in the Plan. The Classification Plan shall consist of the classes listed in this section, with such changes from time to time as may be recommended by the Treasurer and approved by Council. All positions in each class shall be compensated in accordance with the class grade for each class as shown in this section and at the rates of pay for each class grade as set forth in Section 139.03. The salary rates as established for each class grade shall be the compensation for work of salaried employees on a normal full-time schedule not to exceed the number of hours per week shown in this section for the respective groups of classes. (Ord. 30-2006. Passed 4-3-06.)

LIST OF OCCUPATIONAL TITLES

<u>CLASS CODE</u>	<u>CLASS GRADE</u>	<u>CLASS TITLE</u>
100	Clerical, Administrative and Fiscal Group (40H/W)	
	*	*
127	21	Chief Probation Officer
	*	*

(Ord. \_\_\_\_\_-2018. Passed \_\_\_\_\_-2018.)

11a



DEPARTMENT OF PUBLIC SERVICE  
KEVIN G. ALLER, PE DIRECTOR

February 5, 2018

To: The Mayor and Members of Sylvania City Council

Re: **Construction Engineering Services Proposal  
LUC-CR 1572-8.96 (Main Street Reconstruction)**

Dear Mr. Mayor and Council Members:

At the November 6, 2017 meeting City Council authorized the Service Department to request Letters of Interest (LOI's) from consultants to provide construction engineering services for the LUC-CR 1572-8.96 (Main Street Reconstruction Project).

During the solicitation we received LOI's from six engineering consultants. The Service Department selected Stantec as the most highly scored and qualified firm to move forward with and entered into scope of services and fee negotiations. We have completed those negotiations and Stantec has prepared a proposal in the amount of \$81,400 to complete the construction engineering scope of services.

Stantec will be providing one construction engineer and one full-time inspector throughout the duration of the project. Their proposal also includes the creation of Record Drawings upon project completion. Included with their proposal is \$7,600 in construction testing services to be completed by Bowser-Morner, Inc.

Both Stantec and Bowser-Morner have previous experience in providing construction engineering and testing services on ODOT Local Public Agency (LPA) projects including the necessary ODOT pre-qualifications. This is an appropriated item in the 2018 budget and a known project expense. We would recommend approval of the proposal in the amount of \$81,400 with Stantec.

Sincerely,

Kevin G. Aller, P.E.  
Director of Public Service



**Stantec Consulting Services Inc.**  
4540 Heatherdowns Boulevard Suite A, Toledo OH 43614-3100

January 10, 2018  
File: 173485306

**Attention: Joseph Shaw, P.E., P. S., Deputy Service Director**

City of Sylvania  
6730 Monroe Street, Suite 101  
Sylvania, Ohio 43560

**Reference: Proposal for Construction Engineering Services  
Main Street Reconstruction, LUC – CR – 1572 – 8.96**

Dear Mr. Shaw,

The City of Sylvania will be embarking upon the reconstruction of approximately 0.09 miles of Main Street between Monroe Street and Ten Mile Creek through the ODOT LPA process. The project plans have been developed by DGL, and the project will be let to bid in February 2018. Construction is expected to begin in June 2018 and be completed by September 2018 (90 calendar days). As such the City solicited Letters of Interest for Consulting Services to provide construction engineering, inspection and testing services.

After ranking the Letters of Interest through the ODOT Consultant Selection Rating process, the City selected Stantec to provide construction engineering services.

## **1.0 PROJECT UNDERSTANDING**

The project consists of the reconstruction of Main Street between Ten Mile Creek and Monroe Street. Included in the project are new storm drainage, curbs and curb ramps, drive replacement, decorative sidewalks, new decorative lighting, LED traffic signal heads and ornamental fencing with decorative brick piers. This section of the roadway serves a local grocery, a hotel and a gasoline filling station. Access to the businesses must be maintained throughout the entire project. Construction will be phased, including some night construction, so that traffic can be maintained. Additionally, the first phase of construction must be completed and 2-way traffic restored prior to the commencement of the LPGA Marathon Golf Classic. Pedestrian traffic must also be maintained throughout the duration of the project.

There are two (2) underground storage tanks that will need to be removed and there is a potential that petroleum contaminated soils will be encountered at these sites. Removal of contaminated soils will need to be addressed in accordance with the applicable rules and regulations.

It is anticipated that full-time construction observation will be required to support the City, contractor and local community.

## **2.0 SCOPE OF SERVICES**

Stantec proposes the following Scope of Services to assist the City of Sylvania in achieving its objectives. The services will consist of construction engineering, RPR and testing services as follows:

Design with community in mind



Joseph Shaw, P.E., PS, Deputy Service Director  
Page 2 of 7

**Reference: Proposal for Construction Engineering Services  
Main Street Reconstruction, LUC – CR – 1572 – 8.96**

## **2.1 Construction Engineering**

- Lead and conduct a local preconstruction conference and construction progress meetings and prepare and distribute minutes. It is anticipated that up to 5 local meetings will occur.
- Review contractor's baseline schedule and monitor periodic progress updates, including a "look-ahead" schedule at each progress meeting.
- Review shop drawings for general conformity to the plans, ODOT CMS and applicable local standards. Sylvania City staff will review all submittals associated with the decorative lights, ornamental fence and decorative piers. Stantec will review the remainder of the shop drawings. Up to fourteen (14) shop drawings will be reviewed by Stantec.
- Maintain a Project Bill of Materials to ensure that the materials meet specifications and provide an accounting of items being installed and work performed.
- Make up to six (6) periodic site visits to monitor work progress and review contractor's work for general conformance with the contract documents. Upon request review and analyze issues and conflicts that may arise during construction. Work with City, design engineer and contractor to resolve such issues before they evolve into problems. The City will take the lead role in this endeavor, and Stantec will be consulted with issues that require additional support.
- Review contractor's pay requests and provide recommendations for payment to the City and ODOT. Up to four (4) pay requests will be processed.
- Review contractor's claims and change order requests and provide recommendations in accordance with the contract documents.
- Upon request provide response to contractor's Requests for Information (RFIs). The City will take the lead in this endeavor, and Stantec will be consulted with issues that require additional support.
- As the project nears completion prepare and maintain a punch list of items to be completed or corrected before final payment. Verify that punch list items have been addressed to the satisfaction of the City prior to final completion.
- Assist the City to ensure that the contractor has provided the necessary project closeout documents and make recommendation for final payment when completed.
- Prepare and execute necessary LPA closeout documents and submit to ODOT.



Joseph Shaw, P.E, PS, Deputy Service Director  
Page 3 of 7

**Reference: Proposal for Construction Engineering Services  
Main Street Reconstruction, LUC – CR – 1572 – 8.96**

- Transfer project files and field markup drawings to the City upon project completion.

## **2.2 Project Inspection/Testing**

- Observe contractor's work for general conformance with the contract documents on a full-time basis. It is anticipated that, due to the project schedule, the contractor will likely work 10-hour days and may request additional extended hours, as well as weekends.
- Coordinate with our testing subconsultant, Bowser-Morner, for the completion of periodic tests of subbase, base and asphalt compaction and perform concrete field and lab tests, in accordance with ODOT CMS. The scope and fees for construction testing are included in the attached proposal from Bowser-Morner.
- Maintain a log of construction activities and progress to include test results, materials delivery tickets and photos of work performed.
- Attend construction related meetings at the site, as well as progress meetings. Coordinate with City staff, as required.
- Perform periodic wage interviews to confirm compliance. Notify the City of any issues encountered.
- Develop a rapport and maintain communication with local property owners, the City and contractor relative to work progress and project issues; communicate with business owners on a weekly basis or more frequently when required.
- Review contractor's pay requests and change order requests and provide input to the Construction Engineer.
- Coordinate with the contractor and maintain a set of field drawings noting identified changes or modifications made from the original contract documents.
- Assist in preparation of punch list and confirm that items have been addressed prior to final payment.

## **2.3 Record Drawings**

If authorized, Stantec will prepare Record Drawings in electronic format based upon contractor's field markups, RPR notes and records and related construction phase documentation. We will provide two (2) sets of full-size (22 x 34) and two (2) sets of ½ size (11 x 17) drawings to the City of Sylvania, along with a set of PDF images of the same. The original and RPR record mark-ups will be scanned and provided to the City as hard copy and PDF images.



Joseph Shaw, P.E, PS, Deputy Service Director  
Page 4 of 7

**Reference: Proposal for Construction Engineering Services  
Main Street Reconstruction, LUC – CR – 1572 – 8.96**

### **3.0 CLARIFICATIONS AND ASSUMPTIONS**

The following clarifications apply to this proposal:

- The proposed scope and fees were developed based upon the Construction Administration, Inspection and Materials Management Scope of Services contained in the ODOT advertisement, our review of the project plans and general notes and discussions with the City of Sylvania. Should additional services or modifications to the anticipated work be required, we will coordinate with City staff to stay within the existing fee schedule to the extent possible.
- No environmental testing of soils and groundwater is included in the Testing Services scope or fees. Such additional supplementary testing, if required, can be completed for an additional fee, if authorized.
- The RPR will be on site to observe the contractor's work for general conformance with the contract documents, and assist in guarding the City of Sylvania against defects and deficiencies in the work of the contractor. The RPR shall not have responsibility for superintendence of construction site conditions, safety or operations of the contractor.

### **4.0 ENGINEERING FEE PROPOSAL**

We are pleased to provide professional services related to the Main Street Reconstruction. Our fees for the services are as provided below.

#### **4.1 Professional Engineering Services Fees**

Professional fees, inclusive of disbursements, have been calculated and are shown in the table below in US Dollars to provide Construction Engineering, Testing and RPR services for the Main Street Reconstruction. Stantec proposes to provide the services presented in this proposal to the City of Sylvania as follows:

- Construction Engineering Services – Hourly Rate plus Expenses, Not-to-Exceed;
- RPR Services – Hourly Rate plus Expenses, Estimated Fee;
- Construction Testing Services – Subconsultant Estimated Fee; and
- Record Drawings – Hourly Rate plus Expenses, Not-to- Exceed.

Additional professional services related to major revisions made to the scope of our services will require a revision to our professional fees and may be charged at applicable per diem rates, plus expenses. The cost for such changes to the scope of work will be submitted in advance for approval.



Joseph Shaw, P.E, PS, Deputy Service Director  
Page 5 of 7

**Reference: Proposal for Construction Engineering Services  
Main Street Reconstruction, LUC - CR - 1572 - 8.96**

<u>STAFF CATEGORY</u>	<u>STAFF MEMBERS</u>	<u>ESTIMATED HOURS</u>	<u>APPROX. HOURLY RATES</u>	<u>COSTS</u>
<i>CE Services</i>				
Project Manager	Larry Gamble	40	\$140.00	\$5600.00
Project Engineer	Justin Batt/Taylor Price/Joshua Brown	100	\$90.00	\$9000.00
Administrative	Trana Taylor	20	\$60.00	\$1200.00
Direct Expense	--	--	Varies	\$1000.00
			<b>Subtotal</b>	<b>\$16,800.00</b>
			<b>Use NTE</b>	<b>\$16,800.00</b>
<i>RPR Services</i>				
Resident Project Representative	Joshua Brown	660	\$80.00	\$52,800.00
Direct Expense	--	--	Varies	\$1,200.00
			<b>Subtotal</b>	<b>\$54,000.00</b>
			<b>Estimated Fee</b>	<b>\$54,000.00</b>
<i>Testing Subconsultant: Bowser Morner</i>				
Varies	TBD	77	Varies	\$7,600.00
			<b>Estimated Fee</b>	<b>\$7,600.00</b>
<i>Record Drawings</i>				
Project Manager	Larry Gamble	2	\$140.00	\$280.00
Project Engineer	Joshua Brown	4	\$80.00	\$320.00
Engineering Technician	Curtis Johns Shelly Gray	24	\$85.00	\$2040.00
Direct Expense	--	--	\$360.00	\$360.00
			<b>Subtotal</b>	<b>\$3000.00</b>
			<b>Use NTE</b>	<b>\$3000.00</b>

#### 4.2 Expenses and Disbursements

Expenses and disbursements have been included in the professional engineering fees presented in Section 4.1. Any significant and unforeseen project specific costs that arise during the project will be invoiced at cost plus a ten percent administration fee.



Joseph Shaw, P.E, PS, Deputy Service Director  
Page 6 of 7

**Reference: Proposal for Construction Engineering Services  
Main Street Reconstruction, LUC – CR – 1572 – 8.96**

#### **4.3 General Terms of Payment**

Payment on account for services rendered and for reimbursable expenses incurred shall be made every month upon presentation of the Stantec Invoice. Invoices for fees and reimbursable expenses are due and payable by the City upon receipt of the invoice without holdback. Stantec reserves the right to discontinue services in the event of non-payment.

#### **4.4 General Terms and Conditions**

The attached Professional Services Agreement for professional services between Stantec and the City of Sylvania shall apply.

#### **4.5 Validity**

This proposal is valid for 30 days.

#### **5.0 PROJECT SCHEDULE**

We are prepared to commence work immediately upon authorization. We anticipate that our services will be completed within sixty (60) days of the final completion date of the construction contract between the City and its contractor.

We appreciate the opportunity to submit this proposal and have tried to be thorough in our assessment of services required to complete this assignment. If you have any questions or would like to clarify anything in this proposal, please do not hesitate to contact me. If this proposal meets your requirements, please sign in the space provided below to serve as our authorization to proceed.

Regards,

**STANTEC CONSULTING SERVICES INC.**

Larry Gamble, PE  
Project Manager  
Phone: 419-380-8910  
Fax: 419-380-8920  
larry.gamble@stantec.com

Adam Hoff, PE  
Principal  
Phone: 419-380-8910  
Fax: 419-380-8920  
adam.hoff@stantec.com

Attachment: Professional Services Agreement  
Bowser Morner Quotation

Design with community in mind



Joseph Shaw, P.E, PS, Deputy Service Director  
Page 7 of 7

**Reference: Proposal for Construction Engineering Services  
Main Street Reconstruction, LUC – CR – 1572 – 8.96**

**AUTHORIZATION:**

By: _____	_____
Name: Craig A Stough	Toby A. Schroyer
Title: Mayor	Director of Finance
Date: _____	_____

ORDINANCE NO. 5 -2018

**ACCEPTING THE PROPOSAL OF STANTEC TO PROVIDE CONSTRUCTION ENGINEERING SERVICES RELATIVE TO THE MAIN STREET RECONSTRUCTION PROJECT; APPROPRIATING FUNDS THEREFORE IN THE AMOUNT OF \$81,400; AND DECLARING AN EMERGENCY.**

WHEREAS, at the November 6, 2017 meeting of Sylvania City Council, the Director of Public Service was authorized to request Letters of Interest from consultants to provide construction engineering services for the Main Street Reconstruction Project; and,

WHEREAS, the Director of Public Service received Letters of Interest from six engineering consultants; and,

WHEREAS, after reviewing the Letters of Interest from the six engineering firms, the Service Department determined that Stantec was the most qualified firm; and,

WHEREAS, the Director of Public Service, by report dated February 5, 2018, has recommended that the proposal of Stantec to provide construction engineering services, Record Drawings upon project completion, and construction testing services for the Main Street Reconstruction Project at a cost of Eighty-One Thousand Four Hundred Dollars (\$81,400.00), be accepted.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Sylvania, Lucas County, Ohio, \_\_\_\_\_ members elected thereto concurring:

**SECTION 1.** That the proposal of Stantec in the amount Eighty-One Thousand Four Hundred Dollars (\$81,400.00) for providing construction engineering services relative to the Main Street Reconstruction Project, is hereby accepted.

**SECTION 2.** That the Director of Public Service shall promptly give notice to said consultant to proceed under the proposal hereby approved and accepted.

**SECTION 3.** That to provide funds for said engineering services hereby authorized, there is hereby appropriated from the **CAPITAL FUND** from funds therein not heretofore appropriated to **Account No. – 401-7610-53503, Street Improvements** the amount of Eighty-One Thousand Four Hundred Dollars (\$81,400.00).

**SECTION 4.** It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal

requirements, including Section 121.22 of the Ohio Revised Code.

**SECTION 5.** That the Clerk of Council is hereby directed to post a copy of this Ordinance in the Office of the Clerk of Council in the Municipal Building pursuant to ARTICLE III, Section 12, of the Charter of this City.

**SECTION 6.** That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, property and welfare and for the further reason that the City should provide for the construction engineering services for the Main Street Reconstruction Project at the earliest possible time. Provided this Ordinance receives the affirmative vote of five (5) or more members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force thirty (30) days after it is approved by the Mayor or as otherwise provided by the Charter.

Vote dispensing with the second and third readings:           Yeas \_\_\_\_\_ Nays \_\_\_\_\_

Passed, \_\_\_\_\_, 2018, as an emergency measure.

\_\_\_\_\_  
President of Council

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
Director of Law

APPROVED:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

12a



# City Of Sylvania

DEPARTMENT OF PUBLIC SERVICE

KEVIN G. ALLER, PE DIRECTOR

February 1, 2018

To: The Mayor and Members of Sylvania City Council

Re: **Harroun Road and Monroe Street**

Dear Mr. Mayor and Council Members:

Monroe Street is largely considered as the entrance to Sylvania. There has been much talk of beautification efforts along the route.

We would like to move forward to develop some concepts of possible improvements to the southwest corner of the referenced intersection. The business on that corner is planning to replace their existing signage and we would like to coordinate our proposed improvements with said sign replacement.

We are requesting approval to enter into a contract with Smithgroup JJR in the amount of \$5,500 to assist the City with concept development. We would then come back to Council for future steps once possible concepts are complete.

Please call if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin G. Aller".

Kevin G. Aller, P.E.

Director of Public Service

KGA/dsw

# SMITHGROUPJJR

January 17, 2018

Mr. Kevin Aller, PE  
City of Sylvania  
Department of Public Services  
6730 Monroe Street  
Sylvania, OH 43560

RE: Monroe + Harroun Intersection Enhancements

Dear Kevin:

On behalf of SmithGroupJJR, Inc., ("SmithGroupJJR") I am pleased to submit this proposal for conceptual design of streetscape enhancements at the southwest corner of the Monroe + Harroun intersection. The following is our understanding of the services which are to be provided.

## UNDERSTANDING OF THE PROJECT

The commercial property located at the southwest corner of the Monroe + Harroun intersection is currently occupied by Valvoline Instant Oil Change. The parking lot extends up to the existing public sidewalk within the right-of-way. The City desires to enhance the visual aesthetic of this corner as it is located at a key gateway into the downtown area for residents and visitors arriving from the east and off US-23. Proposed improvements could include planting areas, screen walls and potential City signage. A location for a monument sign for Valvoline will also be considered.

## ASSUMPTIONS

The following are design assumptions that will be used in developing the concepts:

- The existing curb and gutter alignments will not be modified; however the location of the accessible ramps and level landings for the crosswalks across Harroun and Monroe may be relocated.
- The proposed enhancements may extend outside the limits of the existing right-of-way but existing parking spaces and drive aisles must be preserved within the Valvoline property with dimensions that meet City zoning regulations.
- The existing driveway geometry shall remain as-is.
- No new survey is proposed; available base information and/or aerial plans will be used for the basis of this planning effort.

## SCOPE OF SERVICES

### Concept Design

The SmithGroupJJR team will develop two to three concepts for the streetscape enhancements. The GIS parcel data available through Lucas County and aerial photography will be used as the base map from which the concepts will be developed from.

SmithGroupJJR will meet with the City to review the concepts and upon feedback, one refined concept will be developed. A final rendered graphic will be prepared as well as supporting graphic cross-section(s) for the proposed enhancements.

---

City of Sylvania

**Monroe + Harroun Intersection Enhancements**  
Sylvania, Ohio

SmithGroupJJR

# SMITHGROUPJJR

## SCHEDULE

The design services are anticipated to be completed within 3-4 weeks. SmithGroupJJR will commence services within two weeks upon written authorization.

## COMPENSATION

The City of Sylvania shall compensate SmithGroupJJR for the Scope of Services outlined above for a fixed lump sum fee as outlined below (including reimbursable cash charges).

Concept Design ..... \$ 5,500

## ADDITIONAL SERVICES

Requests for additional services or staff will be documented by SmithGroupJJR (if given verbally), and the work will commence upon City of Sylvania approval of an estimated fee for that effort. For additional services, City of Sylvania shall reimburse SmithGroupJJR on an hourly basis of SmithGroupJJR's project staff actively engaged for all personnel hours worked on the project (see Attachment A).

Additional services may include but are not limited to:

- Preliminary and Final Engineering Design Services
- Topographical Survey
- Preparing and submitting permit applications
- Attending meetings in addition to those specifically identified in the scope of work
- Construction Administration Services

## PAYMENTS

Invoices will be prepared monthly on the basis of percentage of completion.

All payments due to SmithGroupJJR shall be made monthly upon presentation of the statement of services rendered. All payments due SmithGroupJJR under this agreement shall bear interest at one-and one-half (1½%) percent per month commencing thirty (30) days after the date of billing.

## MISCELLANEOUS PROVISIONS

SmithGroupJJR will use reasonable professional efforts and judgment in responding in the design to applicable federal, state and local laws, rules, codes, ordinances and regulations. City of Sylvania acknowledges that certain state and local laws, rules, codes, ordinances and regulations may reference standards that are outdated and/or contrary with today's industry requirements. SmithGroupJJR cannot and does not warrant or guarantee that the Project will comply with all such outdated and/or contrary federal, state and local laws, rules, codes, ordinances and regulations

Notwithstanding anything to the contrary, nothing contained herein shall be construed: i) to constitute a guarantee, warranty or assurance, either express or implied, that the SmithGroupJJR's Services will yield or accomplish a perfect outcome for this Project; or ii) to obligate the SmithGroupJJR to exercise professional skill or judgment greater than the standard of care exercised by other similarly situated design professionals currently practicing in the

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City of Sylvania

**Monroe + Harroun Intersection Enhancements**  
Sylvania, Ohio

SmithGroupJJR

# SMITHGROUPJJR

same locale as this Project, under the same requirements of this Agreement; or iii) as an assumption by the SmithGroupJJR of liability of any other party.

SmithGroupJJR will use reasonable professional efforts and judgment to interpret applicable ADA requirements and other federal, state and local laws, rules, codes, ordinances and regulations as applicable to this Project. City of Sylvania acknowledges that requirements of ADA, as well as other federal, state and local laws, rules, codes, ordinances and regulations, will be subject to various and possibly contradictory interpretations. SmithGroupJJR cannot and does not warrant or guarantee that the Project will comply with all interpretations of the ADA requirements and/or the requirements of other federal, state and local laws, rules, codes, ordinances and regulations.

Thank you for choosing SmithGroupJJR to continue to work with you on this exciting project.

Sincerely,



Emily S. McKinnon, P.E.  
Principal, Civil Engineer

# SMITHGROUPJJR

This document will serve as an agreement between us, and you may indicate your acceptance by signing in the space provided below and returning one (1) signed copy for our files.

\_\_\_\_\_  
City of Sylvania (Signature)

\_\_\_\_\_  
City of Sylvania (Signature)

\_\_\_\_\_  
(Printed name and title)

\_\_\_\_\_  
(Printed name and title)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



\_\_\_\_\_  
SmithGroupJJR (Signature)

\_\_\_\_\_  
Patrick M. Doher, Senior Vice President  
(Printed name and title)

\_\_\_\_\_  
January 17, 2018  
Date

**Attachment 'A' – Standard Fee and Reimbursement Schedule**

# SMITHGROUP JJR

**ATTACHMENT A**  
**Standard Fee and Reimbursement Schedule**  
**Ann Arbor, Michigan**  
**January 2, 2018**

PROFESSIONAL AND TECHNICAL STAFF

Principal/ Level 5	\$225.00/hour
Principal/ Level 4	\$215.00/hour
Principal/ Level 3	\$195.00/hour
Principal/ Level 2	\$185.00/hour
Principal/ Level 1	\$175.00/hour
Professional Staff/ Level 11	\$175.00/hour
Professional Staff/ Level 10	\$165.00/hour
Professional Staff/ Level 9	\$150.00/hour
Professional Staff/ Level 8	\$140.00/hour
Professional Staff/ Level 7	\$130.00/hour
Professional Staff/ Level 6	\$115.00/hour
Professional Staff/ Level 5	\$105.00/hour
Professional Staff/ Level 4	\$95.00/hour
Professional Staff/ Level 3	\$90.00/hour
Professional Staff/ Level 2	\$85.00/hour
Professional Staff/ Level 1	\$80.00/hour
Technical Staff/ Level 2	\$90.00/hour
Technical Staff/ Level 1	\$70.00/hour

These billing rates are subject to semi-annual review and revision.

A surcharge of fifty percent (50%) will be added to hourly rates for expert witness testimony and/or for participation at hearings, depositions, etc.

REIMBURSABLE EXPENSES

Mileage	\$.545/mile
Travel and Subsistence	Cost
FedEx, Postage, etc.	Cost
Copies (8-1/2" x 11")	\$0.10/copy
Color Copies (8-1/2" x 11")	Cost + 10%
Color Copies (11" x 17")	Cost + 10%
Plotting	Cost + 10%
Reproduction and Printing	Cost + 10%
Materials	Cost + 10%
Equipment Rental	Cost
Subcontract Services	Cost + 10%

INVOICES

Progress invoices shall be issued monthly and payment is due upon receipt. Balances remaining unpaid after thirty (30) days are subject to a monthly finance charge of 1% (12% annually) until paid.

12b

**ORDINANCE NO. 6 -2018**

**AUTHORIZING THE MAYOR AND DIRECTOR OF FINANCE TO ACCEPT THE PROPOSAL OF JJR, LLC TO PROVIDE CONCEPTUAL DESIGN OF STREETScape ENHANCEMENTS AT THE SOUTHWEST CORNER OF THE MONROE STREET AND HARROUN ROAD; APPROPRIATING FUNDS THEREFORE IN AN AMOUNT NOT TO EXCEED \$5,500; AND DECLARING AN EMERGENCY.**

WHEREAS, the City desires to enhance the visual aesthetic of the southwest corner of the Monroe Street/Harroun Road intersection; and,

WHEREAS, the Director of Public Service, in a report dated February 5, 2018, indicated that he has received a proposal from SmithGroup JJR to develop two to three concepts for the streetscape enhancements; and,

WHEREAS, the Director of Public Service has recommended acceptance of the proposal of SmithGroup JJR to develop two to three concepts for the streetscape enhancements at the southwest corner of the Monroe and Harroun intersection at a cost not to exceed \$5,500.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Sylvania, Lucas County, Ohio, \_\_\_\_\_ members elected thereto concurring:

SECTION 1. That the Mayor and the Director of Finance be, and they hereby are, authorized to sign the proposal of SmithGroup JJR on behalf of this City, thereby indicating such approval and acceptance said proposal for design concepts for Monroe and Harroun Intersection Enhancements.

SECTION 2. That to provide funds for said services hereby authorized, there is hereby allocated from the **CAPITAL IMPROVEMENT FUND** from funds therein not heretofore allocated to **Account No. 401-7610-53503 Street Improvements**, an amount not to exceed Five Thousand Five Hundred Dollars (\$5,500.00).

SECTION 3. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

SECTION 4. That the Clerk of Council is hereby directed to post a copy of this Ordinance in the Office of the Clerk of Council in the Municipal Building pursuant to ARTICLE III, Section 12, of the Charter of this City.

SECTION 5. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, property and welfare and for the further reason that proposal for said professional services should be approved immediately so that the enhancements at the southwest corner of the Monroe and Harroun Intersection can proceed at the earliest possible time. Provided this Ordinance receives the affirmative vote of five (5) or more members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force thirty (30) days after it is approved by the Mayor or as otherwise provided by the Charter.

Vote dispensing with the second and third readings:           Yeas \_\_\_\_\_ Nays \_\_\_\_\_

Passed, \_\_\_\_\_, 2018, as an emergency measure.

\_\_\_\_\_  
President of Council

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
Director of Law

APPROVED:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

**RESOLUTION NO. 4 - 2018**

**APPOINTING PATRICK RICHARDSON TO THE BOARD OF TRUSTEES OF SYLVANIA COMMUNITY SERVICES FOR THE FULL CALENDAR YEAR OF 2018; AND DECLARING AN EMERGENCY.**

WHEREAS, Sylvania City Council appoints a member to the Board of Trustees of Sylvania Community Services each year; and,

WHEREAS, at the January 16, 2018 meeting of Sylvania City Council, a discussion was held on the appointment of City Council's representative to the Sylvania Community Services Board for 2018 and thereafter, legislation was ordered appointing Patrick Richardson to the Sylvania Community Services Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Sylvania, Lucas County, Ohio, \_\_\_\_\_ members elected thereto concurring:

SECTION 1. That Patrick Richardson, a member of the Council of this appointing political subdivision, is hereby appointed to the Board of Trustees of Sylvania Community Services for the calendar year 2018.

SECTION 2. That the Clerk of Council be, and she hereby is, directed to certify a copy of this Resolution to Sylvania Community Services.

SECTION 3. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 4. That the Clerk of Council is hereby directed to post a copy of this Resolution in the Office of the Clerk of Council in the Municipal Building pursuant to ARTICLE III, Section 12, of the Charter of this City.

SECTION 5. That this Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, property and welfare and for the reason that the appointment to the Sylvania Community Services Board of this appointing political subdivision should be made immediately so that the appointed

Councilperson will be duly authorized for the full calendar year of 2018. Provided this Resolution receives the affirmative vote of five (5) or more members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force thirty (30) days after it is approved by the Mayor or as otherwise provided by the Charter.

Passed, \_\_\_\_\_, 2018, as an emergency measure.

\_\_\_\_\_  
President of Council

ATTEST:

\_\_\_\_\_  
Clerk of Council

APPROVED:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

\_\_\_\_\_  
Director of Law



Mayor Craig Stough  
Sylvania City Council  
6730 Monroe St. Suite 203  
Sylvania, Ohio 43560

Dear Mayor Stough, Ms. Westphal & City Council:

As you know, Lourdes University has been working with the City of Sylvania and the Sylvania Chamber of Commerce to explore more opportunities for our students and their families to get to know the City and also for the Sylvania merchants to get to know Lourdes and our students

With this goal in mind, Lourdes requests permission to have banners hung across the downtown block of Main Street. We propose to provide three banners that would each be hung for a 2-week period:

- **Welcome Gray Wolves!** Student Move-in & Orientation
  - August
- **Homecoming Weekend! Welcome Alums & Families** Homecoming
  - September/October
- **Congratulations, Lourdes Graduates!** Exam & Commencement weeks
  - May

We feel this will ignite an enthusiasm and engagement for our "town/gown" relationship.

I have enclosed drafts of the proposed banners. If you have any questions or would like additional information, please do not hesitate to contact me. And, if this needs to go before City Council, please let us know the date of the meeting. We would like to attend.

Thank you so very much for your consideration.

Sincerely,

*Mary Arquette*

Vice President  
419-824-3969  
[marquette@lourdes.edu](mailto:marquette@lourdes.edu)



**WELCOME GRAY WOLVES!**

[www.lourdes.edu](http://www.lourdes.edu)



**HOMECOMING WEEKEND!**

**WELCOME ALUMS & FAMILIES**

[www.lourdes.edu](http://www.lourdes.edu)

 **CONGRATULATIONS, LOURDES GRADUATES!** 

[www.lourdes.edu](http://www.lourdes.edu)

**CRITERIA FOR STREET BANNER PERMIT:**

Section 1166.07 (h)(2)(A.) of the Sylvania Codified Ordinances

- A. The bottom of the banner must be mounted at least eighteen feet (18') above the roadway, or in accordance with the latest National Electrical Safety Code and/or local safety codes.
- B. Provisions must be made for air escapement and should be at least thirty-five percent (35%) of the total banner area.
- C. The banners must have a minimum of four (4) "tie downs," which shall be of non-conducting material. The zone of the tie down contact on the pole is to be free below any attachment on the pole.
- D. The installation shall be made in a professional manner.
- E. The City of Sylvania will perform inspections of the banner installations and reserves the right to remove the banners anytime for the matter of safety and health and public welfare.
- F. The fee for obtaining the permit to install the banners shall be set at \$100.00.
- G. The Council of the City of Sylvania will review and grant permission to install banners on an application-by-application basis.
- H. The purpose of the banner installation shall be one of the following reasons: a Sylvania charitable event or a civic purpose to benefit the community.
- I. Banners may not be installed for private commercial or political gain.
- J. The organization shall procure and maintain during the term of banner installations at their own expense the following insurance:
  - 1. Commercial General Liability Insurance with limits not less than One Million Dollars (\$1,000,000.00) combined single limit per occurrence, One Million Dollars (\$1,000,000.00) annual aggregate;
    - a. The City, along with the Company, its officers, agents, and employees shall be named as an additional insured.
- K. An ACORD Certificate of Insurance Form 25-S and a copy of the above endorsement shall be filed with the City's Clerk of Council at the time the organization obtains the application/permit which is attached hereto. The Certificate shall contain a provision that coverage afforded under this policy shall not be canceled or allowed to expire until at least 30 days prior written notice has been given to the City. The organization shall thereafter maintain current with the City both the Certificate and Endorsement until such time as the encroachment shall be terminated.
- L. The organization, their successors and assigns agree to defend, hold harmless and indemnify the City of Sylvania officials, officers, agents, and employees against any and all loss, damage, claims or expense whatsoever by reason of injury (including death) to any person or property arising in any manner or under any circumstances whatsoever from the use, occupancy, operation or other activities by which the organization in connection with the banners whether said injury or damage is suffered by the organization, their agents, subcontractors, vendors or employees or any other person whomsoever who seek to hold the City, its officials, agents, and employees liable.

City of Sylvania  
Division of Zoning  
**STREET BANNER APPLICATION/PERMIT**

Fee: \$ 100.00

Name of Organization \_\_\_\_\_

Contact Person \_\_\_\_\_

Telephone or E-mail \_\_\_\_\_

Explanation of the Qualifying Event\* \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Dates of Event \_\_\_\_\_

Installation & Removal Dates of Banner \_\_\_\_\_

[maximum four (4) weeks]

Banner Location Toledo Edison poles by Wendy's and Country Squire on Monroe Street

Company Installing Banner: \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

Insurance on File \_\_\_\_\_

Edison Approval \_\_\_\_\_

City Approval \_\_\_\_\_

Text of Banner \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**The banner and installation shall meet the attached specifications.**

- \* - The purpose of the banner installation shall be one of the following reasons:
- a. Sylvania charitable event or a civic purpose to benefit the community.
  - b. Banners may not be installed for private commercial or political gain.

B



Toledo Metropolitan Area Council of Governments

300 Martin Luther King Jr. Drive Toledo, Ohio 43604

P.O. Box 9508 Toledo, OH 43697-9508

Phone 419.241.9155 Fax 419.241.9116 www.tmacog.org

January 16, 2018

Mr. Joseph Shaw, P.E., P.S.  
Deputy Director  
City of Sylvania  
6730 Monroe Street  
Sylvania, Ohio 43560

**Subject: 2017 CMAQ Funding Round**

Dear Mr. Shaw:

This letter is regarding the Congestion Mitigation and Air Quality (CMAQ) funding round that concluded on November 29, 2017. The City of Sylvania's application for the Monroe Street and Silica Drive Roundabout has been approved for funding in the amount of \$2,373,500 in state fiscal year 2022.

If you should have any questions, feel free contact me at 419-241-9155 ext. 1115 or via email at [dasher@tmacog.org](mailto:dasher@tmacog.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'Lance Dasher', with a long horizontal flourish extending to the right.

Lance Dasher  
Transportation Planner, TMACOG

LD:jc



C

# City Of Sylvania

DIVISION OF POLICE  
WILLIAM H. RHODUS, CHIEF

February 1, 2018

To: The Mayor and Members of the City Council

Re: 2017 Law Enforcement Trust Fund Report  
2017 Drug Law Enforcement Fund Report  
2017 Federal Equitable Sharing Fund  
2017 Property Seized/Forfeited Report

Pursuant to Section 2933.43 of the Ohio Revised Code I am submitting this report verifying that the property and revenue received and expended complies with Ohio Revised Code Section 2923.43, division policy, and resolutions 11-90 and 12-90.

### **Law Enforcement Trust Fund - Resolution 11-90 (account - 225)**

<u>Revenue</u>	<u>Expenditures</u>	<u>2017 Ending Balance</u>
\$67,362.21 balance from 2016	\$3,260.00 training	\$70,902.28
\$35,324.00 property/cash seizures	\$24,819.94 equipment	
\$-0- other miscellaneous	\$-0- investigations	
	\$3,703.99 other miscellaneous	

### **Drug Law Enforcement Fund - Resolution 12-90 (account - 226)**

<u>Revenue</u>	<u>Expenditures</u>	<u>2017 Ending Balance</u>
\$16,751.21 balance from 2016	\$1,038.98 training	\$16,373.12
\$3,732.35 Sylvania Court mandatory fines	\$1,326.46 equipment	
\$-0- Common Pleas Court mandatory fines	\$-0- investigations	
\$-0- other miscellaneous	\$1,745.00 other miscellaneous	

### **Federal Equitable Sharing Fund (account - 229)**

<u>Revenue</u>	<u>Expenditures</u>	<u>2017 Ending Balance</u>
\$100,271.12 balance from 2016	\$-0- training	\$34,811.24
\$-0- Federal (DEA) seizures	\$-0- equipment	
\$222.12 interest posted	\$5,000.00 investigations	
\$-0- other	\$60,682.00 (2) DB vehicles	

**Seized/Forfeited Property in 2017**

Seized Property

\$35,384.17 add up all forfeited \$ or bond back property  
\$38,007.98 add up all \$ seized this year  
\$297.42 add up all returned cash

Disposition/Proceeds

\$35,324.00 Forfeit to PD account 225  
\$38,035.08 Pending disposition  
-0- Seized money returned to owner  
\$60.17 Abandoned \$ Forfeit to City General Fund

Non-cash Seizures

-0-

Disposition

There were no other revenues, expenditures, or seizures during this reporting period.

Respectfully submitted,



William H. Rhodus  
Chief of Police