



City of Strongsville

16099 Foltz Parkway
Strongsville, Ohio 44149-5598
Phone: 440-580-3110
www.strongsville.org

July 11, 2024

City Council

James A. Kaminski
Ward 1

Annmarie P. Roff
Ward 2

Thomas M. Clark
Ward 3

Gordon C. Short
Ward 4

James E. Carbone
At-Large

Kelly A. Kosek
At-Large

Brian M. Spring
At-Large

Aimee Pientka, MMC
Clerk of Council

MEETING NOTICE

City Council has scheduled the following meetings for **Monday, July 15, 2024**, to be held in the Caucus Room and the Council Chamber at the ***Mike Kalinich Sr. City Council Chamber, 18688 Royalton Road***:

Caucus will begin at 6:30 p.m. All committees listed will meet immediately following the previous committee:

6:30 P.M. Public Safety & Health Committee will meet to discuss Resolution No. 2024-105.

Recreation & Community Services Committee will meet to discuss Resolution Nos. 2024-106 and 2024-107.

Planning, Zoning & Engineering Committee will meet to discuss Resolution No. 2024-108.

Public Service & Conservation Committee will meet to discuss Ordinance Nos. 2024-109, 2024-111, 2024-112 and Resolution Nos. 2024-110 and 2024-113.

Committee of the Whole will meet to discuss Resolution No. 2024-114.

7:00 P.M. Regular Council Meeting

Any other matters that may properly come before this Council may also be discussed.

BY ORDER OF THE COUNCIL:

Aimee Pientka, MMC
Clerk of Council

STRONGSVILLE CITY COUNCIL REGULAR MEETING

MONDAY, JULY 15, 2024 AT 7:00 P.M.

Mike Kalinich Sr. City Council Chamber
18688 Royalton Road, Strongsville, Ohio

AGENDA

1. CALL TO ORDER:
2. PLEDGE OF ALLEGIANCE:
3. CERTIFICATION OF POSTING:
4. ROLL CALL:
5. COMMENTS ON MINUTES:
 - *Regular Council Meeting – July 1, 2024*
6. APPOINTMENTS, CONFIRMATIONS AWARDS AND RECOGNITION:
 - *Ceremonial Oath of Office administered to newly-appointed Police Lieutenant, Jacob Knipp.*
 - *Ceremonial Oath of Office administered to newly-appointed Police Sergeant, Ryan Weisenberger.*
 - *Ceremonial Oath of Office administered to newly-appointed Patrolman, Brian Rossman.*
 - *Ceremonial Oath of Office administered to newly-appointed Patrolman, Nicholas Prochaska.*
 - *Ceremonial Oath of Office administered to newly-appointed Patrolwoman, Megan Kane.*
7. REPORTS OF COUNCIL COMMITTEE:
 - ECONOMIC DEVELOPMENT – Clark
 - BUILDING & UTILITIES – Roff
 - PUBLIC SAFETY AND HEALTH – Roff
 - RECREATION AND COMMUNITY SERVICES – Spring
 - SCHOOL BOARD – Spring
 - FINANCE – Short
 - SOUTHWEST GENERAL HEALTH SYSTEM – Short
 - COMMUNICATIONS AND TECHNOLOGY – Kaminski
 - PLANNING, ZONING AND ENGINEERING – Kosek
 - PUBLIC SERVICE AND CONSERVATION – Kosek
 - COMMITTEE-OF-THE-WHOLE – Carbone

8. REPORTS AND COMMUNICATIONS FROM THE MAYOR, DIRECTORS OF DEPARTMENTS AND OTHER OFFICERS:

- MAYOR PERCIAK:
- FINANCE DEPARTMENT:
- LAW DEPARTMENT:

9. AUDIENCE PARTICIPATION:

10. ORDINANCES AND RESOLUTIONS:

- Resolution No. 2024-105 by Mayor Perciak and All Members of Council. A RESOLUTION AUTHORIZING THE MAYOR TO ADVERTISE A REQUEST FOR QUALIFICATIONS AND TO SOLICIT STATEMENTS OF QUALIFICATIONS FOR A CONSTRUCTION MANAGER AT-RISK FOR A PROPOSED FIRE STATION NUMBER 5 ON ROYALTON ROAD IN THE CITY OF STRONGSVILLE, AND DECLARING AN EMERGENCY.
- Resolution No. 2024-106 by Mayor Perciak and All Members of Council. A RESOLUTION ACCEPTING MONETARY DONATIONS FROM VARIOUS FAMILIES AND COMMERCIAL ORGANIZATIONS TO BE USED IN CONNECTION WITH THE STRONGSVILLE TOWN CENTER ENHANCEMENT & WALKABILITY INITIATIVE.
- Resolution No. 2024-107 by Mayor Perciak and All Members of Council. A RESOLUTION RECOGNIZING A DONATION OF MONEY FROM THE BRIAN KRUSZ FAMILY TO THE STRONGSVILLE COMMUNITY IMPROVEMENT CORPORATION, WHICH WILL BE USED IN CONNECTION WITH THE STRONGSVILLE TOWN CENTER ENHANCEMENT & WALKABILITY INITIATIVE.
- Resolution No. 2024-108 by Mayor Perciak and All Members of Council. A RESOLUTION AUTHORIZING THE MAYOR TO ADVERTISE FOR BIDS FOR THE PROGRESS DRIVE CULVERT REPLACEMENT PROJECT IN THE CITY OF STRONGSVILLE, AND DECLARING AN EMERGENCY.
- Ordinance No. 2024-109 by Mayor Perciak and All Members of Council. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A PROJECT GRANT/LOAN AGREEMENT WITH THE STATE OF OHIO, THROUGH THE OHIO PUBLIC WORKS COMMISSION FOR ISSUE 1 FINANCIAL ASSISTANCE IN CONNECTION WITH THE WASTEWATER TREATMENT PLANTS B & C REHABILITATION PROJECT (OPWC PROJECT NOS. CA15AB & CA16AB), AND DECLARING AN EMERGENCY.
- Resolution No. 2024-110 by Mayor Perciak and All Members of Council. A RESOLUTION DECLARING THE OFFICIAL INTENT AND REASONABLE EXPECTATION OF THE CITY OF STRONGSVILLE ON BEHALF OF THE STATE OF OHIO AS THE BORROWER TO REIMBURSE ITS SANITARY SEWER FUND FOR THE WASTEWATER TREATMENT PLANTS B & C REHABILITATION PROJECT (OPWC PROJECT NOS. CA15AB & CA16AB) WITH THE PROCEEDS OF TAX EXEMPT DEBT OF THE STATE OF OHIO, AND DECLARING AN EMERGENCY.

- Ordinance No. 2024-111 by Mayor Perciak and All Members of Council. AN ORDINANCE AUTHORIZING THE MAYOR TO APPLY FOR, ACCEPT AND ENTER INTO A COOPERATIVE AGREEMENT WITH THE OHIO WATER DEVELOPMENT AUTHORITY FOR IMPROVEMENTS TO WASTEWATER TREATMENT PLANTS B & C IN CONNECTION WITH THE WASTEWATER TREATMENT PLANTS REHABILITATION PROJECT, AND DECLARING AN EMERGENCY.
 - Ordinance No. 2024-112 by Mayor Perciak and All Members of Council. AN ORDINANCE REQUESTING PARTICIPATION IN OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES CONTRACTS FOR THE PURCHASE OF A UTILITY BUCKET LIFT TRUCK CONSISTING OF A FREIGHTLINER M2 CAB AND CHASSIS UNIT WITH A 60-FOOT AERIAL TREE UNIT TOWER, AND ACCESSORIES, FOR USE BY THE SERVICE DEPARTMENT OF THE CITY; AUTHORIZING THE MAYOR AND THE DIRECTOR OF FINANCE TO DO ALL THINGS NECESSARY TO ENTER INTO AN AGREEMENT IN CONNECTION THEREWITH; AND DECLARING AN EMERGENCY.
 - Resolution No. 2024-113 by Mayor Perciak and all Members of Council. A RESOLUTION GRANTING PERMISSION TO REPURCHASE CERTAIN CERTIFICATES FOR BURIAL RIGHTS IN THE STRONGSVILLE MUNICIPAL CEMETERY. [Halkiadakis]
 - Resolution No. 2024-114 by Mayor Perciak and All Members of Council. A RESOLUTION CONSENTING TO THE TERMS OF THE KROGER SETTLEMENT IN CONNECTION WITH THE OPIOID EPIDEMIC LITIGATION, PURSUANT TO THE ONE OHIO MEMORANDUM OF UNDERSTANDING; AUTHORIZING THE MAYOR TO EXECUTE A SUBDIVISION PARTICIPATION AND RELEASE FORM FOR THE KROGER SETTLEMENT, AND DECLARING AN EMERGENCY.
11. COMMUNICATIONS, PETITIONS AND CLAIMS:
 12. MISCELLANEOUS BUSINESS:
 13. ADJOURNMENT:

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 105

By: Mayor Perciak and All Members of Council

A RESOLUTION AUTHORIZING THE MAYOR TO ADVERTISE A REQUEST FOR QUALIFICATIONS AND TO SOLICIT STATEMENTS OF QUALIFICATIONS FOR A CONSTRUCTION MANAGER AT-RISK FOR A PROPOSED FIRE STATION NUMBER 5 ON ROYALTON ROAD IN THE CITY OF STRONGSVILLE, AND DECLARING AN EMERGENCY.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

Section 1. That the Mayor be and is hereby authorized to advertise a request for qualifications and to solicit statements of qualifications for a Construction Manager At-Risk for a proposed Fire Station Number 5, on the south side of Royalton Road, between Pearl Road and Prospect Road, and pursuant to that process, to establish a shortlist of firms qualified to perform the work for the project in accordance with Ohio Revised Code Sections 9.33 through 9.335, Ohio Administrative Code 153:1, and the documents on file in the office of the City Engineer, which are, in all respects, hereby approved.

Section 2. That the funds for the purposes of this Resolution have been appropriated and shall be paid from the General Capital Improvement Fund.

Section 3. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution 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.

Section 4. That this Ordinance is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health, safety and welfare of the City, and for the further reason that it is immediately necessary to advertise a request for qualifications for a Construction Manager At-Risk for a proposed new Fire Station Number 5. Therefore, provided, this Resolution receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

CITY OF STRONGSVILLE, OHIO
RESOLUTION NO. 2024 – 105
Page 2

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

RES
Ord. No. 2024-105 Amended: _____
1st Rdg. _____ Ref: _____
2nd Rdg. _____ Ref: _____
3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
Adopted: _____ Defeated: _____

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 106

By: Mayor Perciak and All Members of Council

**A RESOLUTION ACCEPTING MONETARY DONATIONS FROM
VARIOUS FAMILIES AND COMMERCIAL ORGANIZATIONS TO
BE USED IN CONNECTION WITH THE STRONGSVILLE TOWN
CENTER ENHANCEMENT & WALKABILITY INITIATIVE.**

WHEREAS, the Strongsville Town Center area is an essential part of the fabric of the City of Strongsville and encompasses some 81 acres extending from Royalton Road and Pearl Road, north past Zverina Lane; and

WHEREAS, the City of Strongsville has continuously recognized the importance of the Strongsville Town Center area and, therefore, launched the "Strongsville Town Center Enhancement & Walkability Initiative" Project to provide further amenities and upgrade the connectivity and walkability within such Strongsville Town Center area, which will improve the quality of community life for our residents and guests; and

WHEREAS, due in large part to the many families, civic organizations and commercial businesses which have donated their resources to this Project over the past couple years, the Strongsville Town Center is well on its way to completion; and

WHEREAS, in that regard, the City of Strongsville wishes to particularly acknowledge the following families and organizations that most recently have also so generously provided the City with monetary donations in order to make the Strongsville Town Center a reality:

- The Panteck Family/Brunswick & Medina Auto Mall – \$250,000.00
- Thomas and Debbie Perciak – \$25,000.00
- Camden Woods, LLC/The Catanzarite Family – \$25,000.00
- RFC Contracting, LLC – \$25,000.00
- Fabrizi Trucking & Paving Company – \$25,000.00
- Altenheim Senior Living – \$5,000.00
- Colabianchi Builders – \$5,000.00

WHEREAS, therefore, the City is desirous of accepting such gracious donations.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

Section 1. That the Mayor and this Council hereby extend their gratitude and appreciation to the The Panteck Family/Brunswick & Medina Auto Mall; Thomas and Debbie Perciak; Camden Woods, LLC/The Catanzarite Family; RFC Contracting, LLC; Fabrizi Trucking & Paving Company; Altenheim Senior Living; and Colabianchi Builders, for their generous monetary donations to be utilized by the City for the Strongsville Town Center Enhancement & Walkability Initiative Project.

Section 2. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 106

Page 2

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.

Section 3. That this Resolution shall take effect and be in force from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

RES
 Ord. No. 2024-106 Amended: _____
 1st Rdg. _____ Ref: _____
 2nd Rdg. _____ Ref: _____
 3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
 Adopted: _____ Defeated: _____

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 107

By: Mayor Perciak and All Members of Council

A RESOLUTION RECOGNIZING A DONATION OF MONEY FROM THE BRIAN KRUSZ FAMILY TO THE STRONGSVILLE COMMUNITY IMPROVEMENT CORPORATION, WHICH WILL BE USED IN CONNECTION WITH THE STRONGSVILLE TOWN CENTER ENHANCEMENT & WALKABILITY INITIATIVE.

WHEREAS, the Strongsville Town Center area is an essential part of the fabric of the City of Strongsville and encompasses some 81 acres extending from Royalton Road and Pearl Road, north past Zverina Lane; and

WHEREAS, the City of Strongsville has continuously recognized the importance of the Strongsville Town Center area and, therefore, launched the "Strongsville Town Center Enhancement & Walkability Initiative" to provide further amenities and upgrade the connectivity and walkability within the Strongsville Town Center area, which will improve the quality of community life for residents and guests; and

WHEREAS, the Town Center project is well on its way to becoming a reality for the City of Strongsville; and

WHEREAS, Brian Krusz is an accomplished businessman who originated the Sgt. Clean Car Wash Company, which has grown to several locations in northern Ohio; and

WHEREAS, Brian Krusz and his family are long-time residents of the City of Strongsville, and they enjoy the various recreational amenities available to everyone; and

WHEREAS, in order to show their appreciation for the many activities that the City of Strongsville offers, the Brian Krusz Family has most graciously donated a check in the amount of \$5,000.00 to the Strongsville Community Improvement Corporation to be utilized for the Town Center Enhancement & Walkability Initiative.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

Section 1. That the Mayor and this Council hereby wish to recognize the Brian Krusz Family for their gracious donation of \$5,000.00 to the Strongsville Community Improvement Corporation, which will be utilized for the Strongsville Town Center Enhancement & Walkability Initiative.

Section 2. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution 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.

Section 3. That this Resolution shall take effect and be in force from and after the earliest period allowed by law.

CITY OF STRONGSVILLE, OHIO
RESOLUTION NO. 2024 – 107
Page 2

President of Council

Date Passed: _____

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Approved: _____
Mayor

Date Approved: _____

Attest: _____
Clerk of Council

RES
Ord. No. 2024-107 Amended: _____
1st Rdg. _____ Ref: _____
2nd Rdg. _____ Ref: _____
3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
Adopted: _____ Defeated: _____

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 108

By: Mayor Perciak and All Members of Council

A RESOLUTION AUTHORIZING THE MAYOR TO ADVERTISE FOR BIDS FOR THE PROGRESS DRIVE CULVERT REPLACEMENT PROJECT IN THE CITY OF STRONGSVILLE, AND DECLARING AN EMERGENCY.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA, AND STATE OF OHIO:

Section 1. That the Mayor be and is hereby authorized to advertise for bids for the Progress Drive Culvert Replacement Project, generally consisting of removal and replacement of an existing steel plate arch culvert under Progress Drive with a concrete arch, including pavement restoration, all in accordance with specifications and bid documents on file in the office of the City Engineer, which are in all respects hereby approved.

Section 2. That the funds for the purposes of this Resolution have been appropriated and shall be paid from the Drainage Levy Fund.

Section 3. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council; and that all deliberations of the 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.

Section 4. That this Resolution is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health, safety and welfare of the City, and for the further reason that it is immediately necessary to authorize advertising for public bidding in order to make improvements to provide more efficient drainage in the Progress Drive area, to improve properties within the City, and to conserve public funds. Therefore, provided this Resolution receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

CITY OF STRONGSVILLE, OHIO
RESOLUTION NO. 2024 – 108
Page 2

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

RES
Ord. No. 2024-108 Amended: _____
1st Rdg. _____ Ref: _____
2nd Rdg. _____ Ref: _____
3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
Adopted: _____ Defeated: _____

CITY OF STRONGSVILLE, OHIO

ORDINANCE NO. 2024 – 109

By: Mayor Perciak and All Members of Council

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A PROJECT GRANT/LOAN AGREEMENT WITH THE STATE OF OHIO, THROUGH THE OHIO PUBLIC WORKS COMMISSION FOR ISSUE 1 FINANCIAL ASSISTANCE IN CONNECTION WITH THE WASTEWATER TREATMENT PLANTS B & C REHABILITATION PROJECT (OPWC PROJECT NOS. CA15AB & CA16AB), AND DECLARING AN EMERGENCY.

WHEREAS, the City of Strongsville is planning to provide and construct certain critical infrastructure improvements associated with the Wastewater Treatment Plants B & C Rehabilitation Project (the "Project"); and

WHEREAS, by and through Ordinance No. 2023-122, the City had applied for financial assistance, including both a grant and loan, from the State of Ohio through the Ohio Public Works Commission in order to assist the City in funding the Project; and

WHEREAS, the City now has been advised that the Ohio Public Works Commission has approved the City's request for financial assistance from Issue 1 Funds, and has agreed to provide funding, therefore, by way of a Project Grant/Loan Agreement in the amount of \$489,976.00 in grant funds, and \$2,414,035.00 at zero percent (0%) interest in loan funds, but subject to conditions, for a total amount not to exceed \$2,904,011.00 in funding from the OPWC; and

WHEREAS, in order to avail itself of such funding in connection with the Project, the City is required to enter into a Project Grant/Loan Agreement with the State of Ohio through the Director of the Ohio Public Works Commission.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

Section 1. That the Project Grant/Loan Agreement and the provisions of funding approval set forth therein, a copy of which is attached hereto as Exhibit A, and incorporated herein by reference, in all respects, are hereby approved and accepted.

Section 2. That the Mayor and other appropriate officials of the City be and are hereby authorized and directed to enter into and execute said Project Grant/Loan Agreement with the State of Ohio, through the Director of the Ohio Public Works Commission for funding assistance in connection with the Project.

Section 3. That the Mayor, Director of Finance, City Engineer, and other appropriate City officials and their designees be and are hereby further authorized and directed to provide, execute and deliver a Promissory Note payable to the order of the Ohio Public Works Commission (the "Lender") in the principal sum of \$2,414,035.00, or so much thereof as shall be advanced by Lender and remain unpaid, in the form and upon the terms and conditions set forth in the Promissory Note attached hereto as Exhibit B; and to provide whatever additional

CITY OF STRONGSVILLE, OHIO

ORDINANCE NO. 2024 – 109

Page 2

certifications, assurances and other necessary information and documentation may be required, and to do all other things required to perform the terms and conditions of the Agreement in accordance with their respective responsibilities thereunder.

Section 4. That the City's portion of funds for the purposes of this Ordinance and Project shall be paid from the Sanitary Sewer Fund, and that the Director of Finance be and is hereby authorized and directed to issue his warrants for payment in accordance with the terms of the Project Grant/Loan Agreement.

Section 5. That it is found and determined that all formal actions of this Council concerning and relating to the adoption 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.

Section 6. That this Ordinance is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health, safety, and general welfare of the inhabitants of the City, and for the further reason that it is necessary in order to receive substantial funding assistance from the Ohio Public Works Commission, to expedite construction of the Project, to eliminate hazards, provide for critical improvements to the City's wastewater treatment plants, and to conserve public funds. Therefore, provided this Ordinance receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

Ord. No. 2024-109 Amended: _____
 1st Rdg. _____ Ref: _____
 2nd Rdg. _____ Ref: _____
 3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
 Adopted: _____ Defeated: _____

Ohio Public Works Commission

PROJECT GRANT/LOAN AGREEMENT

STATE CAPITAL IMPROVEMENTS PROGRAM

Pursuant to Ohio Revised Code Chapter 164 and Ohio Administrative Code 164-1, this Project Grant/Loan Agreement (“Agreement”) is entered into on July 1, 2024

The Agreement is between the State of Ohio, acting by and through the Director of the Ohio Public Works Commission (“Director” or the “OPWC”), and

City of Strongsville

(“Recipient”), in respect of the Project named

Wastewater Treatment Plants B & C Rehabilitation

as described in Appendix A of this Agreement (“Project”) to provide 8.5% of the total Project cost (“Participation Percentage”), not to exceed \$2,904,011

for the sole and express purpose of financing or reimbursing costs of the Project as more fully set forth in this Agreement and the Appendices as attached.

OPWC Project ID: CA15AB / CA16AB

RECITALS

The State Capital Improvements Fund created under Ohio Revised Code Section 164.08 is to benefit local subdivisions for the acquisition, construction, reconstruction, improvement, planning and equipping of roads and bridges, appurtenances to roads and bridges to enhance the safety of animal-drawn vehicles, pedestrians, and bicycles, waste water treatment systems, water supply systems, solid waste disposal facilities, and storm water and sanitary collection, storage, and treatment facilities, including real property, interests in real property, facilities, and equipment related or incidental to those facilities.

Pursuant to Ohio Revised Code Section 164.02, the Ohio General Assembly created the Ohio Public Works Commission (OPWC) to implement the policies set forth in Article VIII of the Ohio Constitution and Ohio Revised Code Chapter 164;

Pursuant to Ohio Revised Code 164.05, the Director is empowered to (i) enter into agreements with Local Subdivisions to provide loans, grants, and local debt support for Capital Improvement Projects; and (ii) authorize payments to Local Subdivisions or their Contractors for costs incurred for Capital Improvement Projects;

Pursuant to Ohio Revised Code Section 164.06, the Director is empowered to review and approve or disapprove requests for financial assistance from the District Public Works Integrating Committees in accordance with the criteria set forth in Ohio Revised Code Sections 164.06(B);

Ohio Revised Code Sections 164.05 and 164.06 permit a grant and loan of funds for such a Capital Improvement Project to be expended or provided only after the District Public Works Integrating Committee has submitted a request to fund the Project to the Director outlining the Recipient's planned use of the funds, and subsequent approval of the request by the Director;

The Recipient desires to engage in the Capital Improvement Project described in Appendix A of this Agreement; and

The Project has been duly recommended to the Director pursuant to Ohio Revised Code 164.06 by the District Committee of which the Recipient is a part.

In consideration of the contained promises and covenants, the undersigned agree as follows:

I. **DEFINITIONS AND GENERAL PROVISIONS.** The following words and terms as used in this Agreement shall have the following meanings.

“Bond Counsel” means an attorney or firm of attorneys of nationally recognized standing on the subject of municipal bonds satisfactory to the Director.

“Business Day” means a day of the year on which banks located in Columbus, Ohio and in New York, New York are not required or authorized by law to remain closed and on which The New York Stock Exchange is not closed.

“Capital Improvement Project” means the eligible project as defined in Ohio Revised Code Section 164.08 and as described in Appendix A.

“Chief Executive Officer” means the single office or official of the Recipient and as designated in Appendix A pursuant to Section VI. A. or authorized designee as per written notification to the Director.

“Chief Fiscal Officer” means the single office or official of the Recipient and as designated in Appendix A, pursuant to Section VI. A, or authorized designee as per written notification to the Director.

“Code” means the Internal Revenue Code of 1986, as amended. Each reference to the Code shall be deemed to include the United States Treasury Regulations in effect, whether temporary or final, with

respect thereto and applicable to the Infrastructure Bonds or the use of the proceeds thereof.

“Contractor” means a person who has a direct contractual relationship with the Recipient and is the manufacturer of all or a portion of the Project, or the provider of labor, materials or services in connection with the acquisition, improvements, construction, reconstruction, expansion, or engineering of the Project; or both.

“Cost of Project” means the costs of acquiring, constructing, reconstructing, expanding, improving and engineering projects and shall also be deemed to include preliminary costs, including but not limited to, planning costs, design costs, and financing costs.

“District Committee” means the District Public Works Integrating Committees and the Executive Committees created pursuant to Ohio Revised Code Section 164.04.

“Effective Date” means the date set forth on Page One of this Agreement.

“Eligible Project Costs” means such portion of the Project costs disbursed from the OPWC to the Recipient for the sole and express purpose of acquiring, constructing, reconstructing, expanding, improving, engineering and equipping the Project, other direct expenses, and related financing costs.

“Governing Body” means the board of county commissioners or a county council if a county, the legislative authority of a municipal corporation, or the board of township trustees if a township, the board of directors if a sanitary district; or the board of trustees if a regional water and sewer district.

“Local Subdivision” means a county, municipal corporation, township, sanitary district or regional water and sewer district of the State.

“Local Subdivision Contribution” means the Local Subdivision financial share used for the sole and express purpose of paying or reimbursing the costs certified to the Director under this Agreement for the completion of the project. Such funds shall constitute a specified percentage of the total Cost of Project set forth in Appendix B and may consist of money by any person, any Local Subdivision, the State of Ohio, or the federal government or of contributions in-kind by such parties through purchase or donation of equipment, land, easements, labor, or materials necessary to complete the Project.

“Note” means the promissory note provided to the Chief Financial Officer of record.

“Participation Percentage” means the percentage of the total actual Project costs that will be contributed by the OPWC, not to exceed the maximum dollar contribution of the OPWC identified in this Project Agreement, and the percentage of the total actual Project costs that will be contributed by the Recipient. Both percentages are identified in Appendix B. If the total actual Project costs exceed the estimated Project costs identified in Appendix B, the Local Subdivision Participation Percentage will increase to reflect the cost overrun, while the OPWC percentage contribution will decrease recognizing that there is a maximum dollar contribution from the OPWC which is identified in this Project Agreement.

“Private Business Use” means use (directly or indirectly) in a trade or business or activity carried on by any Private Person (other than a Tax-Exempt Organization) other than use as a member of, and on the same basis as, the public.

“Private Person” means any person, firm, entity or individual who or which is other than a governmental unit as defined in Code Section 150 and used in Code Sections 141 and 148.

“Project” means the scope of work specified in Appendix A.

“Project Manager” means the principal employee or agent of the Recipient having administrative authority over the Project designated in Appendix A pursuant to Section V.A., or authorized designee as per written

notification to the Director.

“Repayment Amount” means the amount to be paid by the Recipient to the OPWC on each payment date of each year during the Term pursuant to the terms and conditions of the Note.

“State” means the State of Ohio.

“Tax-Exempt Organization” means a governmental unit, as used in Code Sections 141 and 148.

“Utility” means the Project if a facility which generates revenues from fees, charges or taxes associated with the use of the facility.

II. FINANCIAL ASSISTANCE - GRANT. Subject to the terms and conditions contained herein, the Director hereby grants to the Recipient financial assistance, as established in this section, for the sole and express purpose of paying or reimbursing the eligible costs certified to the Director under this Agreement for the completion of the Project. The OPWC hereby agrees to provide financial assistance in the form of a grant, from the State Capital Improvements Fund, which constitutes the proceeds of the Infrastructure Bonds, in an amount not to exceed Four Hundred Eighty Nine Thousand Nine Hundred Seventy Six (\$489,976). Once this grant amount is fully expended, the loan amount below will be drawn on for disbursing the remaining OPWC obligations contained in the Agreement, unless otherwise specified in Appendix A. If the loan amount is necessitated for the local share, grant and loan assistance will be disbursed concurrently.

III. FINANCIAL ASSISTANCE – LOAN. Subject to the terms and conditions contained in this Agreement, the Director hereby grants to the Recipient financial assistance, as established in this section, for the sole and express purpose of paying or reimbursing the eligible costs certified to the Director under this Agreement for the completion of the Project. The OPWC shall lend to Recipient and Recipient shall borrow from the OPWC an amount not to exceed Two Million Four Hundred Fourteen Thousand Thirty Five Dollars (\$2,414,035), the proceeds of which shall be utilized solely to finance the Eligible Project Costs and/or reimburse the Recipient for its advance payment of such Eligible Project Costs. The Loan shall be disbursed by the OPWC to the Recipient pursuant to Section V of the Agreement. The terms of repayment of the Loan shall be as set forth in the Note and Recipient shall make all payments required to be made under the Note as and when due.

A. In the event the Project to be constructed is or will be a Utility, the Recipient hereby agrees to the following:

1. It shall always prescribe and charge such rates, fees, charges or taxes as shall result in revenues at least adequate to meet operation, maintenance and all expenses of the Utility and the payment of all amounts required by the Note;
2. It shall permit any authorized agent of the OPWC to inspect all records, accounts and data of the Utility at any reasonable time; and
3. It shall segregate the revenues, funds, properties, costs and expenses of the Utility from all other revenues, funds properties, costs and expenses of the Recipient.

B. The Recipient shall pay to the OPWC an amount equal to the Repayment Amount as and when due as provided in the Note from (i) any source of revenues of the Recipient, or (ii) in the event the Project is or will be a Utility, the Recipient shall make such payments from the revenues of such Utility; provided, however, that if otherwise lawful, nothing in this Agreement shall be deemed to prohibit the Recipient from using, of its own volition, any of its general revenues or other revenue sources for such payments. The obligation of the Recipient to pay the Repayment Amount shall not be assignable, and the Recipient shall not be discharged therefrom, without the prior written consent of the OPWC. During the first 15 days of May and November of each year during the Term, the OPWC shall invoice the Recipient for the sum due and owing the OPWC and

the payment of each such invoice shall be made by the Recipient to the OPWC not later than the last Business Day of January or the first day of July. The OPWC may adjust repayment schedules based on the administrative needs of the Lender. Any failure of the OPWC to invoice the Recipient shall not otherwise release the Recipient from its obligations to pay the Repayment Amount as and when due or otherwise fulfilling its obligations.

- C. The Recipient shall pay the Local Subdivision Contribution. If the Term commences prior to the determination of the final costs of the Project, the Repayment Amount and the Local Subdivision Contribution shall be based upon the best figures available at the time of execution of the Agreement or as amended. When such final costs of the Project are greater than or less than the estimated costs of the Project as set forth in Appendix B, the amount of the Loan and the Note shall be adjusted in accordance with the terms and conditions of the Note and the Local Subdivision Contribution shall be paid in full by the Recipient as and when due.
- D. In the event the final costs of the Project are greater than the estimated costs of the Project, the Recipient shall be responsible for the difference.
- E. Prior to the disbursement of the Loan, the Recipient shall demonstrate to the satisfaction of the Director the capability of the Recipient to pay the Repayment Amount and the Local Subdivision Contribution. The Director may withhold any disbursement during the Term if the Director reasonably believes that the Recipient is unable to pay the Repayment Amount or its Local Subdivision Contribution as and when due.
- F. Upon completion of the Project, the Recipient shall make a full and complete accounting to the OPWC of the Eligible Project Cost.
- G. If prior to the completion of the Term the Project shall be damaged or destroyed, partially or completely, by fire, flood, windstorm or other casualty, there shall be no abatement or reduction of the Repayment Amount or the Local Subdivision Contribution payable by the Recipient, and the Recipient shall at its cost and expense (i) promptly repair, rebuild or restore the property damaged or destroyed in substantially the same condition before such damage or destruction, and (ii) apply for any proceeds from insurance policies for claims for such losses as well as utilizing any additional moneys of the Recipient to repair, rebuild and restore the Project.
- H. In the event that title to or the temporary use of the Project, or any part thereof, shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, there shall be no abatement or reduction in the amount of the Repayment Amount or the Local Subdivision Contribution payable by the Recipient, and any net proceeds received from any award made in such eminent domain proceedings shall be paid to and held by the Recipient in a separate condemnation award account and shall be applied by the Recipient in either or both the following ways as shall be determined by the Recipient:
 - 1. The restoration of the improvements located on the Project Site to substantially the same condition as they existed prior to the exercise of said power of eminent domain; or
 - 2. The acquisition of additional real estate, if necessary, and facilities, by construction or otherwise, equivalent to the Project, which real estate and facilities shall be deemed a part of the Project without the payment of any amounts other than provided, to the same extent as if such real estate and facilities were specifically described.

Any balance of the net proceeds of the award in such eminent domain proceedings shall be paid to the Recipient upon delivery to the OPWC of a certificate signed by the Chief Executive Officer that the Recipient has complied with either paragraph (a) or (b), or both, of this Section. The OPWC shall cooperate fully with the Recipient in the handling and conduct of any prospective or

pending condemnation proceedings with respect to the Project or any part thereof. In no event will the Recipient voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the prior written consent of the Director.

- I. The Recipient agrees that each of the following shall be an event of default ("Event of Default") under this Agreement:
 1. The Recipient fails to make any payment to the OSGCIP of the Repayment Amount required as and when due under the Note and/or the Recipient fails to pay its Local Subdivision Contribution.
 2. The Recipient fails to observe and perform any obligations, agreements or provisions of the Agreement and all Appendices thereto, which failure shall continue for 30 days after receipt of written notice thereof from the Director.
- II. Whenever an Event of Default shall have happened and be subsisting, in addition to any other rights or remedies provided in this Agreement, the Note, by law or otherwise:
 1. The amount of such default, in the event the Recipient defaults on the Repayment Amount, shall bear interest at 8% per annum ("Default Interest Rate"), from the date of the default until the date of the payment thereof, and all the costs incurred by the OPWC in curing such default including, but not limited to, court costs all other reasonable costs and expenses (including reasonable attorney's fees) shall be repaid by the Recipient to the OPWC as a part of the Repayment Amount.
 2. The Director may in his or her sole discretion, in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the Recipient is located to directly pay the amount of any default from the funds which would otherwise be appropriated to the Recipient from such county's undivided local government fund pursuant to Ohio Revised Code Sections 5747.51 to 5747.53.
 3. The OPWC shall be released from all obligations to Recipient.
 4. The entire principal amount of the Loan then remaining unpaid, together with all accrued interests and other charges shall, at the OPWC's option, become immediately due and payable.
- III. No right or remedy conferred upon the OPWC under Section J above is intended to be exclusive of any other right or remedy given in this Agreement, by law or otherwise. Each right or remedy shall be cumulative and shall be in addition to every other remedy given in this Agreement, by law or otherwise.
- IV. Notwithstanding any provision contained in this Appendix, the promissory note, or any other provision of this Agreement, should the Repayment Amount equal \$5,000 or less, it shall be paid to the OPWC in two equal payments according to the invoice schedule established in this Agreement.
- V. *Joint Funded Project with the Ohio Department of Transportation.* For those projects advertised, awarded and administered by the Ohio Department of Transportation (ODOT), the Recipient and the Director hereby assign certain responsibilities to the ODOT, an authorized representative of the State of Ohio. Notwithstanding Sections V.A., V.B., and V.C. of the Project Agreement, the Recipient hereby acknowledges that upon notification by the ODOT, all payments for Eligible Project Costs will be disbursed by the Director and the OPWC directly to the ODOT. A Memorandum of Funds issued by the ODOT shall be used to certify the estimated project costs.

Upon receipt of a Memorandum of Funds from the ODOT, the OPWC shall transfer funds directly to the ODOT via an Intra-State Transfer Voucher. The amount or amounts transferred shall be determined by applying the Participation Percentages defined in Appendix B to those Eligible Project Costs within the Memorandum of Funds.

- IV. LOCAL SUBDIVISION CONTRIBUTION. The Recipient shall, at a minimum, contribute to the Project the Local Subdivision Participation Percentage as set forth in Appendix B of this Agreement. In the event that the total actual Project costs exceed the estimated Cost of Project identified in Appendix B, the OPWC shall not be required to increase the maximum amount of the grant and the Recipient shall increase its Local Subdivision Contribution to meet such actual Cost of Project.
- V. PROJECT SCHEDULE. Construction of the Project must begin within one year of the Effective Date of this Agreement, or this Agreement may become null and void at the sole discretion of the Director. A preliminary construction schedule is provided in Appendix A. Delays, with reason for the delay(s), must be communicated to the Director as soon as possible. The Director will review written requests for extensions and may extend the construction start date taking into consideration the Project can be completed within a reasonable time frame. Failure to meet the schedule without approval for an extension may cause this Agreement to become null and void at the sole discretion at the Director.
- VI. DISBURSEMENTS. All payments made by the OPWC shall be made directly to the contractor that performed the work on the Project and originated the invoice unless the Recipient requests reimbursement. The following provisions apply to Project disbursements:
- A. *Project Administration Designation.* Pursuant to Ohio Administrative Code 164-1-21(B) (1-3), the Recipient shall designate its Chief Executive Officer, Chief Fiscal Officer and Project Manager in Appendix A of this Agreement. The Director and OPWC must be notified of changes in these designations in writing including the addition of designees or alternates.
- B. *Disbursements to Contractors to Pay Costs of the Project.* The Recipient shall submit to the Director a Disbursement Request together with the information and certifications required by this section, unless otherwise approved by the Director. The dollar amount set forth in the Disbursement Request shall be calculated based on the Participation Percentage set forth on Page One of this Agreement or as amended, to account for changed conditions in the Project financing scheme. If all requirements for disbursement are deemed by the Director to be accurate and completed, the Director shall initiate a voucher in accordance with applicable State requirements for the payment of the amount set forth in the Disbursement Request. The Office of Budget and Management, Ohio Shared Services, will forward the warrant, drawn in connection with the voucher, by regular first-class United States mail or electronic funds transfer to the contractor or other authorized recipient designated in the Disbursement Request. Prior to any disbursement from the Fund, the following documents shall be submitted to the Director by the Recipient:
1. If the request is for disbursement to a Contractor, an invoice submitted to the Recipient by the Contractor which invoice requests payment of such sums in connection with its performance of the Project;
 2. If the request is for disbursement to the Recipient, proof of payment of the invoice such as check, warrant, or other evidence satisfactory to the Director that payment of such sums has been made by the Recipient in connection with the portion of the Project for which payment is requested;
 3. A Disbursement Request Form properly certified by the Project Manager, Chief Executive Officer and the Chief Fiscal Officer; and

4. Such other certificates, documents and other information as the Director may reasonably require.

If the Director finds that the documents comply with the requirements of this Agreement, the Director is authorized to cause the disbursement of moneys from the Fund for payment of the identified Project costs. The Recipient represents that the Project was initially constructed, installed or acquired by the Recipient no earlier than the Effective Date of this Agreement.

- C. *Limitations on Use.* No part of the moneys delivered to the Recipient pursuant to Section II is being or will be used to refinance, retire, redeem, or otherwise pay debt service on all or any part of any governmental obligations regardless of whether the interest on such obligations is or was excluded from gross income for federal income tax purposes.
- D. *Project Scope.* The physical scope of the Project shall be limited to only those Capital Improvements as described in Appendix A of this Agreement. If circumstances require a change in such physical scope, the change must be approved by the District Committee, recorded in the District Committee's official meeting minutes, and provided to the Director for the execution of an amendment to this Agreement.
- E. *Project Cost Overruns.* If the Recipient determines that the moneys provided pursuant to Section II, together with the Local Subdivision Contribution, are insufficient to pay in full the costs of the Project, the Recipient may make a request for supplemental assistance to its District Committee. Pursuant to Ohio Administrative Code Section 164-1-23, the Recipient must demonstrate that such funding is necessary for the completion of the Project and the cost overrun was the result of circumstances beyond the Recipient's control, that it could not have been avoided with the exercise of due care, and that such circumstances could not have been anticipated at the time of the Recipient's initial application. Should the District Committee approve such request, the action shall be recorded in the District Committee's official meeting minutes and provided to the Director for the execution of an amendment to this Agreement.

VII. **CONDITIONS TO FINANCIAL ASSISTANCE AND ITS DISBURSEMENT.** The Recipient must comply with the following before receiving funds:

- A. The Recipient certifies that the Local Subdivision Contribution necessary for the completion of the Project is available or expected to be available through the construction of the Project and must demonstrate its compliance with the provisions of Ohio Revised Code Chapter 164 and Ohio Administrative Code Chapter 164-1. If the local share as certified by the Chief Fiscal Officer at the time of the Project application becomes unavailable, the Recipient is to notify the Director and the OPWC as soon as possible or this Agreement may become null and void at the sole discretion at the Director.
- B. The Recipient shall execute all other documents and certificates as deemed necessary by the Director, on the date hereof or at any time hereafter in connection with the financial assistance and disbursement of moneys pursuant to this Agreement, including any amendments to this Agreement.

VIII. **REPRESENTATIONS, WARRANTIES AND COVENANTS OF RECIPIENT.** The Recipient represents warrants and covenants for the benefit of the Director as follows:

- A. The Recipient is a Local Subdivision of the State with all the requisite power and authority to construct, or provide for the construction of, and operate the Project under the laws of the State and to carry on its activities as now conducted.
- B. The Recipient has the power to enter into and perform its obligations under this Agreement and

has been duly authorized to execute and deliver this Agreement which must be within forty-five (45) days of its receipt.

- C. This Agreement is the legal, valid and binding obligation of the Recipient, subject to certain exceptions in event of bankruptcy and the application of general principles of equity.
- D. The Recipient has complied with all procedures, prerequisites and obligations for Project application and approval under Ohio Revised Code Chapter 164 and Ohio Administrative Code Chapter 164-1.
- E. The Recipient is not the subject of, or has it initiated any claim or cause of action that would give rise to any liability which would in any way inhibit Recipient's ability to carry out its performance of this Agreement according to its terms.
- F. Use of the Project – Qualified Service Contracts.
 - 1. *General.* The Recipient shall not use the Project or suffer or permit the Project to be used for any Private Business Use. For purposes of the preceding sentence, use pursuant to a contract that satisfies the criteria of paragraphs 2 or 3 of this subsection shall not be regarded as a Private Business Use.
 - 2. *Qualified Service Contracts.* A Service Provider includes any person that is a Related Party to the Service Provider and the phrase "Chief Executive Officer" includes a person with equivalent management responsibilities.
 - a. *Qualified Service Contracts – Rev. Proc. 2017-13.* Unless the Recipient chooses to apply the safe harbors described below in F.2.b. for Service Contracts (defined below) entered into before (and not materially modified after) August 18, 2017, an arrangement under which services are to be provided by a Private Person ("Service Provider") involving the use of all or any portion of, or any function of, the Project (for example, the management services for an entire facility or a specific department of a facility) ("Service Contract") is a "Qualified Service Contract" if either (A) the only compensation provided for in the Service Contract consists of reimbursements of actual and direct expenses paid by the Service Provider to persons other than Related Parties and reasonable related administrative overhead expenses of the Service Provider ("Expense Reimbursement") or (B) all of the following conditions are satisfied:
 - b. The compensation (including Expense Reimbursement) for services provided pursuant to the Service Contract ("Compensation") is reasonable;
 - c. None of the Compensation (disregarding reimbursement of actual and direct expenses paid by the Service Provider to persons other than Related Parties, which for this purpose excludes employees of the Service Provider), including the timing of the payment thereof, is based on net profits from the operation of the portion of the Project with respect to which the Service Provider provides services (the "Managed Property") or any portion thereof. Compensation will not be treated as providing a share of net profits if no element of the Compensation considers, or is contingent upon, either the Managed Property's net profits or both the Managed Property's revenues and expenses for any fiscal period. For this purpose, Compensation will not be treated as providing the Service Provider a share of the Managed Property's net profits or requiring the Service Provider to bear a share of Managed Property's net losses if the Compensation is: (i) based solely on a capitation fee, a periodic fixed fee, or a

per-unit fee; (ii) incentive compensation that is determined by the Service Provider's performance in meeting one or more standards that measure quality of services, performance, or productivity, and the amount and timing of the payment of the incentive compensation does not take into account (or is contingent upon) the Managed Property's net profits; or (iii) a combination of the types of Compensation set forth in (i) and (ii);

- d. The determination of the amount of Compensation and the amount of any expenses to be paid by the Service Provider (and not reimbursed), separately and collectively, do not consider either the Managed Property's net losses or both the Managed Property's revenues and expenses for any fiscal period;
- e. The timing of the payment of Compensation is not contingent upon the Managed Property's net losses or net profits. Deferral of the payment of Compensation will not be treated as contingent on the Managed Property's net losses or net profits if the Service Contract includes requirements that: (i) the Compensation is payable at least annually; (ii) the Recipient is subject to reasonable consequences for late payment, such as reasonable interest charges or late payment fees; and (iii) the Recipient will pay such deferred Compensation (with interest or late payment fees) no later than the end of five years after the original due date of the payment of the Compensation;
- f. The term of the Service Contract, including all renewal options, is no greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the Managed Property;
- g. The Recipient must exercise a significant degree of control over the use of the Managed Property. This control requirement is met if the Service Contract requires the Recipient to approve the annual budget of the Managed Property, capital expenditures with respect to the Managed Property, each disposition of property that is part of the Managed Property, rates charged for the use of the Managed Property, and the general nature and type of use of the Managed Property (for example, the type of services);
- h. The Recipient must bear the risk of loss upon damage or destruction of the Managed Property;
- i. The Service Provider must agree that it is not entitled to and will not take any tax position that is inconsistent with being a Service Provider to the Recipient with respect to the Managed Property (e.g., the Service Provider will not claim depreciation, amortization, or investment tax credit, or deduction for any payment as rent, with respect to the Managed Property); and
- j. The Service Provider must have no role or relationship with the Recipient, directly or indirectly, that, in effect, substantially limits the Recipient's ability to exercise its rights under the Service Contract, based on all the facts and circumstances. A Service Provider will not be treated as having a role or relationship that substantially limits the Recipient's ability to exercise its rights under the Service Contract if:
 - (i) Not more than 20% of the voting power of the Governing Body of the qualified user in the aggregate is vested in the directors, officers,

shareholders, partners, members, and employees of the Service Provider;

- (ii) The Governing Body of the Recipient does not include the Chief Executive Officer of the Service Provider or the chairperson (or equivalent executive) of the Service Provider's Governing Body; and
- (iii) The Chief Executive Officer of the Service Provider is not the Chief Executive Officer of the Recipient or any Related Party to the Recipient.

3. *Qualified Service Contracts – Rev. Proc. 97-13.* A Service Contract is considered to contain termination penalties if the termination limits the Recipient's right to compete with the Service Provider, requires the Recipient to purchase equipment, goods or services from the Service Provider, or requires the Recipient to pay liquidated damages for cancellation of the Service Contract. Another contract between the Service Provider and the Recipient (for example, a loan or guarantee by the Service Provider) is considered to create a contract termination penalty if that contract contains terms that are not customary or arm's length that could operate to prevent the Recipient from terminating the Service Contract. A requirement that the Recipient reimburses the Service Provider for ordinary and necessary expenses, or restrictions on the hiring by the Recipient of key personnel of the Service Provider are not treated as contract termination penalties.

If the Recipient chooses to apply the following safe harbors, a Service Contract is a Qualified Service Contract if entered into before (and not materially modified after) August 18, 2017 and all of the following conditions are satisfied:

- a. The compensation for services provided pursuant to the Service Contract is reasonable;
- b. None of the compensation for services provided pursuant to the Service Contract is based on net profits from operation of the Project or any portion thereof;
- c. The compensation provided in the Service Contract satisfies one of the following subparagraphs:
 - (i) At least 95% of the compensation for each annual period during the term of the Service Contract is based on a periodic fixed fee and the term of the Service Contract, including all renewal options, does not exceed the lesser of 80% of the reasonably expected useful life of the Project and 15 years. For purposes of Section VII.F., a "periodic fixed fee" means a stated dollar amount for services rendered for a specified period of time that does not increase except for automatic increases pursuant to a specified, objective external standard that is not linked to the output or efficiency of the Project (*e.g.*, the Consumer Price Index) and a "renewal option" means a provision under which the Service Provider has a legally enforceable right to renew the Service Contract but does not include a provision under which a Service Contract is automatically renewed for one-year periods absent cancellation by either party, even if such Service Contract is expected to be renewed; or

- (ii) At least 80% of the compensation for each annual period during the term of the Service Contract is based on a periodic fixed fee and the term of the Service Contract, including all renewal options, does not exceed the lesser of 80% of the reasonably expected useful life of the Project and 10 years; or
- (iii) At least 50% of the compensation for each annual period during the term of the Service Contract is based on a periodic fixed fee, the term of the Service Contract, including all renewal options, does not exceed five years, and the Service Contract is terminable by the Recipient on reasonable notice, without penalty or cause, at the end of the third year of the Service Contract term; or
- (iv) All of the compensation for services is based on a capitation fee or a combination of a capitation fee and a periodic fixed fee, the term of the Service Contract, including all renewal options, does not exceed five years, and the Service Contract is terminable by the Recipient on reasonable notice, without penalty or cause, at the end of the third year of the Service Contract term; a “capitation fee” means a fixed periodic amount for each person for whom the Service Provider assumes the responsibility to provide all needed services for a specified period so long as the quantity and type of service actually provided to covered persons varies substantially; or
- (v) All of the compensation for services is based on a per-unit fee or a combination of a per unit fee and a periodic fixed fee, the term of the Service Contract, including all renewal options, does not exceed three years and the Service Contract is terminable by the Recipient on reasonable notice, without penalty or cause, at the end of the second year of the Service Contract term; a “per-unit fee” means a fee based on a unit of service provided (*e.g.*, a stated dollar amount for each specified procedure) and generally includes separate billing arrangements between physicians and hospitals; or
- (vi) All of the compensation for services is based on a percentage of fees charged or a combination of a per-unit fee and a percentage of revenue or expense fee, the term of the Service Contract, including all renewal options, does not exceed two years and the Service Contract is terminable by the Recipient on reasonable notice, without penalty or cause, at the end of the first year of the Service Contract term; this subparagraph (vi) applies only to (I) Service Contracts under which the Service Provider primarily provides services to third parties (*e.g.*, health care services) or (II) Service Contracts involving the Project during an initial start-up period for which there has been insufficient operations to establish a reasonable estimate of the amount of the annual gross revenues (or gross expenses in the case of a Service Contract based on a percentage of gross expenses) (*e.g.*, a Service Contract for general management services for the first year of operations), in which case the compensation for services may be based on a percentage of gross revenues, adjusted gross revenues (*i.e.*, gross revenues less allowances for bad debts and contractual and similar allowances), or expenses of the Project, but not more than one of these measures; or

- (vii) All the compensation for services is based on a stated amount, a periodic fixed fee, a capitation fee, a per-unit fee, or a combination of the preceding. The compensation for services also may include a percentage of gross revenues, adjusted gross revenues, or expenses of the Project (but not both revenues and expenses). The term of the Service Contract, including all renewal options, does not exceed five years, and the Service Contract need not be terminable by the Recipient prior to the end of the term. For purposes of this section, a tiered productivity award as described in section 5.02(3) of Internal Revenue Service Revenue Procedure 97-13, as amplified by Internal Revenue Service Notice 2014-67, will be treated as a stated amount or a periodic fixed fee, as appropriate.
 - d. The Service Provider has no role or relationship with the Recipient, directly or indirectly, that, in effect, substantially limits the Recipient's ability to exercise its rights under the Service Contract, including cancellation rights;
 - e. The Service Provider and its directors, officers, shareholders and employees possess in the aggregate, directly or indirectly, no more than 20% of the voting power of the Governing Body of the Recipient;
 - f. No individual who is a member of the Governing Body of the Service Provider and the Recipient is the Chief Executive Officer of the Recipient or the Service Provider or the chairperson of the Governing Body of the Recipient or the Service Provider; and
 - g. The Recipient and the Service Provider are not Related Parties.
 - 4. *Exceptions.* The Recipient may treat a Service Contract that does not comply with one or more of the criteria of Section VII.F. as not resulting in Private Business Use of the Project if it delivers to the Director, at its expense, an opinion of Bond Counsel to the effect that such Service Contract does not result in Private Business Use of the Project and that entering into such Service Contract would not adversely affect the exclusion from gross income of the interest on the bonds that financed the Project or cause the interest on such bonds, or any portion thereof, to become an item of tax preference for purposes of the alternative minimum tax imposed under the Code.
- G. *Use of Proceeds.* With respect to the Project to be financed or reimbursed by moneys granted pursuant to Section II:
- 1. The total cost of the Project shall not and will not include any cost which does not constitute "Costs of Capital Improvements Projects," as defined in Ohio Revised Code Section 164.01(F);
 - 2. All the Project is owned, or will be owned, by the Recipient or another Tax-Exempt Organization, upon providing prior written notice to the Director, for as long as the loan is outstanding;
 - 3. The Recipient shall not use any of the moneys to pay or reimburse the Recipient for the payment of or to refinance costs incurred in connection with the acquisition, construction, improvement and equipping of property that is used or will be used for any Private Business Use; and

4. The Recipient may engage in Private Business Use only if it delivers to the Director, at the Recipient's expense, an opinion of bond counsel that to do so would not adversely affect the exclusion of interest on the Infrastructure Bonds from gross income for federal income tax purposes and such opinion is accepted by the Director.
- H. *General Tax Covenant.* The Recipient shall not take any action or fail to take any action which would adversely affect the exclusion of interest on the Infrastructure Bonds from gross income for federal income tax purposes.
- I. *Sufficiency of Moneys.* The Recipient has sufficient moneys in addition to those granted to Recipient pursuant to this Agreement to fund the Project to completion, as its Local Subdivision Contribution.
- J. *Construction Contract.* If federal funds are included as part of the financing of the non-OPWC portion of the Project, federal law may prevail, including, but not limited to, application of Davis Bacon prevailing wage rates, the Copeland "Anti-Kickback" Act, the Contract Work Hours and Safety Standards Act, and any federal environmental regulations. Recipient is solely responsible for ensuring compliance with federal requirements applicable to its Local Subdivision Contribution. Notwithstanding the above, the following provisions apply to construction contracts under this Agreement:
1. *Ohio Preference.* The Recipient shall, to the extent practicable, use and shall cause all its Contractors and subcontractors to use Ohio products, materials, services and labor in connection with the Project pursuant to Ohio Revised Code 164.05(A)(6);
 2. *Domestic Steel.* The Recipient shall use and cause all its Contractors and subcontractors to comply with domestic steel use requirements pursuant to Ohio Revised Code 153.011;
 3. *Prevailing Wage.* The Recipient shall require that all Contractors and subcontractors working on the Project comply with the prevailing wage requirements contained in Ohio Revised Code Sections 164.07(B) and 4115.03 through 4115.16;
 4. *Equal Employment Opportunity.* The Recipient shall require all Contractors to secure a valid Certificate of Compliance;
 5. *Construction Bonds.* In accordance with Ohio Revised Code 153.54, et. seq., the Recipient shall require that each of its Contractors furnish a performance and payment bond in an amount at least equal to 100% of its contract price as security for the faithful performance of its contract;
 6. *Insurance.* The Recipient shall require that each of its construction contractors and subcontractors maintain during the life of its contract or subcontract appropriate Workers Compensation Insurance, Commercial General Liability, Public Liability, Property Damage and Vehicle Liability Insurance, and require Professional Liability Insurance for its professional architects and engineers; and
 7. *Supervision.* The Recipient shall provide and maintain competent and adequate Project management covering the supervision and inspection of the development and construction of the Project and bear the responsibility of ensuring that construction conforms to the approved surveys, plans, profiles, cross sections and specifications.
- IX. **PROGRESS REPORTS.** The Recipient shall submit to the Director, at the Director's request, summary reports detailing the progress of the Project pursuant to this Agreement and any additional reports containing such information as the Director may reasonably require.

- X. **AUDIT RIGHTS.** The Recipient shall, at all reasonable times, provide the Director access to a right to inspect all sites and facilities involved in the Project and access to and a right to examine or audit any and all books, documents and records, financial or otherwise, relating to the Project or to ensure compliance with the provisions of this Agreement. The Recipient shall maintain all such books, documents and records for a period of six years after the termination of this Agreement, and such shall be kept in a common file to facilitate audits and inspections. All disbursements made pursuant to the terms of this Agreement shall be subject to all audit requirements applicable to State funds. The Recipient shall ensure that a copy of any final report of audit prepared in connection with and specific to the Project, regardless of whether the report was prepared during the pendency of the Project or following its completion, is provided to the Director within 10 days of the issuance of the report. The Recipient simultaneously shall provide the Director with its detailed responses to each negative or adverse finding pertaining to the Project and contained in the report. Such responses shall indicate what steps will be taken by the Recipient in remedying or otherwise satisfactorily resolve each problem identified by any such finding. If the Recipient fails to comply with the requirements of this Section or fails to institute steps designated to remedy or otherwise satisfactorily resolve problems identified by negative audit findings, the Director may bar the Recipient from receiving further financial assistance under Ohio Revised Code Chapter 164 until the Recipient so complies or until the Recipient satisfactorily resolves such findings.
- XI. **GENERAL ASSEMBLY APPROPRIATION.** The Recipient acknowledges and agrees that the financial assistance provided under this Agreement is entirely subject to, and contingent upon, the availability of funds appropriated by the General Assembly for the purposes set forth in this Agreement and in Ohio Revised Code Chapter 164. The Recipient further acknowledges and agrees that none of the duties and obligations imposed by this Agreement on the Director shall be binding until the Recipient has complied with all applicable provisions of Ohio Revised Code Chapter 164 and until the Recipient has acquired and committed all funds necessary for the full payment of the Local Subdivision Contribution applicable to the Project.
- XII. **THIRD PARTY RIGHTS AND LIABILITY.** Nothing in this Agreement shall be construed as conferring any legal rights, privileges, or immunities, or imposing any legal duties or obligations, on any person or persons other than the parties named in this Agreement, whether such rights, privileges, immunities, duties, or obligations be regarded as contractual, equitable, or beneficial in nature as to such other person or persons. Nothing in this Agreement shall be construed as creating any legal relations between the Director and any person performing services or supplying any equipment, materials, goods, or supplies of the Project sufficient to impose upon the Director any of the obligations specified in Ohio Revised Code Section 126.30. The Recipient shall be responsible for the Recipient's use or application of the funds being provided by the Director and the Recipient's construction or management of the Project.
- XIII. **TERMINATION.** The Director's and OPWC's obligations under this Agreement shall immediately terminate upon the failure of the Recipient to comply with any of the Agreement's terms or conditions. Upon such termination, the Recipient shall be obligated to return any moneys delivered to the Recipient pursuant to the provisions of this Agreement.
- XIV. **GOVERNING LAW.** This Agreement shall be interpreted and construed in accordance with the laws of the State. In the event any disputes related to this Agreement are to be resolved in a Court of Law, said Court shall be in the courts of Franklin County, State of Ohio.
- XV. **SEVERABILITY.** If any of the provisions or parts of this Agreement are found to be invalid or unenforceable, the remainder of this Agreement and the application of this provision to such other persons or circumstances shall not be affected, but rather shall be enforced to the greatest extent permitted by Law.
- XVI. **ENTIRE AGREEMENT.** This Agreement and its Appendices and Attachments contain the entire understanding between the parties and supersede any prior understandings, agreements, proposals and all other communications between the parties relating to the subject matter of this Agreement, whether such shall be oral or written.
- XVII. **CAPTIONS.** Captions contained in this Agreement are included only for convenience of reference and do not

define, limit, explain or modify this Agreement or its interpretation, instruction or meanings and are in no way intended to be construed as part of this Agreement.

- XVIII. NOTICES. Except as otherwise provided, any required notices shall be in writing and shall be deemed duly given when deposited in the mail, postage prepaid, return receipt requested, by the sending party to the other party at the addresses set forth below or at such other addresses as party may from time to time designate by written notice to the other party.
- XIX. NO WAIVER. A failure of a party to enforce strictly a provision of this Agreement in no event shall be considered a waiver of any part of such provision. No waiver by a party of any breach or default by the other party shall operate as a waiver of any succeeding breach or other default or breach by such other party. No waiver shall have any effect unless it is specific, irrevocable and in writing.
- XX. ACCEPTANCE BY RECIPIENT. This Agreement must be signed by the Chief Executive Officer and returned to and received by the Director prior to the acquisition of land and to the disbursement of funds
- XXI. ASSIGNMENT. Neither this Agreement or any rights, duties or obligations as described shall be assigned by either party without the prior written consent of the other party.
- XXII. ETHICS/CONFLICT OF INTEREST. The Recipient, by signature on this Agreement, certifies that it has reviewed and understands the Ohio ethics and conflict of interest laws, and will take no action inconsistent with those laws.
- XXIII. NON-DISCRIMINATION. Pursuant to Ohio Revised Code Section 125.111 the Recipient agrees that the Recipient and any person acting on behalf of the Recipient shall not discriminate, by reason of race, color, religion, sex, sexual orientation, age, disability, military status, national origin, or ancestry against any citizen of this State in the employment of any person qualified and available to perform the work under this Agreement. The Recipient further agrees that the Recipient any person acting on behalf of the Recipient shall not, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under this Agreement on account of race, color, religion, sex, sexual orientation, age, disability, military status, national origin, or ancestry.
- XXIV. COMPLIANCE WITH LAW. The Recipient, in expending the funds, agrees to comply with all applicable federal, state and local laws, rules, regulations and ordinances.
- XXV. FACSIMILE SIGNATURES. This Agreement may be executed in multiple counterparts, each of which may be deemed an original agreement and both of which shall constitute one and the same Agreement. The counterparts of this Agreement may be executed and delivered by facsimile or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

All the above is agreed to and understood by the parties signed below. This Agreement for Project No. CA15AB / CA16AB is effective as of the date first written above.

RECIPIENT
City of Strongsville

STATE OF OHIO
Ohio Public Works Commission

Thomas Perciak, Mayor



Linda S. Bailiff, Director

Appendix A

Project Completion Schedule, Administration Designation, Description

- 1) *Project Schedule.* Construction must begin within one year of July 1, 2024 . Construction is scheduled to begin August 12, 2024 with completion by November 30, 2026 . The Recipient may make a written request for an extension of the date to initiate construction, specifying the reasons for the delay and providing new construction start and completion dates. Requests may be approved by the Director providing that the Project can be completed within a reasonable time frame.

- 2) *Project Administration Designation.* The Project Administration Designation required by Section VI.A. of this Agreement is designated by the Recipient as follows:

Thomas Perciak, Mayor	to act as the Chief Executive Officer;
Eric Dean, Finance Director	to act as the Chief Fiscal Officer; and
Ken Mikula, City Engineer	to act as the Project Manager.

- 3) *Project Location & Description.* The Project, for which the provision of financial assistance is the subject of this Agreement, is hereby described as follows:

Location:

Both treatment plants are located in the City of Strongsville as follows:

Wastewater Treatment

Plant B is located at 14600 Mill Hollow Lane.

Wastewater Treatment Plant C is located at 8626

Pearl Road.

Description:

Included in this project are the replacements of the rotating biological contactors (RBC's), motor control centers (MCC's), overhead coiling doors, HVAC ductwork, process air piping, sump pump system at Plant C, primary clarifier sludge collector disconnects, secondary clarifier sludge collector disconnects, reject water pumps, process valves and gates and filter MCC's in both plants. Work in both plants also includes redesign of the air piping to and within the RBC building and construction of structural catwalks for cleaning and maintaining chlorine contact tanks.

Plant C work also includes relocating the electric room in the pre-treatment building including new exterior access doorway, platform and walkway and air conditioning. flood protection measures including doorway protection, bulkheads, floor drains, raising the floor and access in the existing generator building and demolition and patch-in of the existing comminutors.

Appendix B

Local Subdivision Contribution, Disbursement Ratio, Project Financing and Expenses Scheme

- 1) *OPWC/Local Subdivision Participation Percentages:* For the sole and express purpose of financing/reimbursing costs of the Project, the estimated costs of which are set forth and described below, the Recipient hereby designates its Local Subdivision Percentage Contribution as amounting to a minimum total value of 91.5 % of the total Project Cost. The OPWC Participation Percentage shall be 8.5 % not to exceed \$2,904,011 .

- 2) *Project Financing and Expenses Scheme:* The Recipient further designates the Project's estimated financial resources and estimated costs certified to the OPWC under this Agreement for the Project to consist of the following components:

Project Estimated Costs	
a) Engineering	1,987,144
b) Construction Administration	0
c) Right-of-Way	0
d) Construction	29,138,994
e) Permits, Advertising, Legal	20,000
f) Construction Contingencies	2,913,899
Total Estimated Costs	34,060,037
Project Financial Resources	
a) Local Resources	
In-kind/Force Account	0
Local Revenues	31,156,026
Public Revenue – ODOT/FHWA	0
Public Revenue – OEPA/OWDA	0
Public Revenue – Other	0
Total Local Resources	31,156,026
b) OPWC Funds	
Grant	489,976
Loan	2,414,035
Total OPWC Funds	2,904,011
Total Financial Resources	34,060,037

Ohio Public Works Commission

PROMISSORY NOTE

\$ 2,414,035

City of Strongsville

July 1, 2024

CA16AB

FOR VALUE RECEIVED, the undersigned (the "Recipient") promises to pay to the order of the Ohio Public Works Commission (hereinafter the "Lender," which term shall include any holder hereof), at its office located at **77 South High Street, Suite 1846, Columbus, OH 43215**, or at such other place as the holder hereof may designate in writing the principal sum of \$ 2,414,035 or so much thereof as shall be advanced by Lender and remain unpaid, together with all costs herein provided following Project completion and thereon until said amounts have been paid in full at a rate equal to 0% per annum.

Principal due under this Note shall be payable as follows. The first payment due shall be made on the last business day in January or the first day in July following the date of Project completion, whichever date first occurs. Thereafter, payments are due the last business day in January or the first day in July for the term of the loan. Principal shall be due and payable in equal consecutive semi-annual installments accordingly until maturity. Subject to adjustment as provided herein, the amount of each such semi-annual installment of principal shall be the amount which would fully amortize the unpaid principal balance of the indebtedness evidenced by this Note, such amortization to be based upon (i) an amortization period of 25 years commencing on the date of the first payment. The Recipient acknowledges that if the semi-annual payments set forth above do not fully amortize this Note, the payment due on the Maturity Date will be a final payment, consisting of the entire unpaid principal balance hereof.

If Recipient shall fail to make any payment when due, and the same is not corrected within 60 days, then the amount of such default shall bear interest thereafter at the rate of 8% per annum (the "Default Rate") from the date of the default until the date of the payment thereof, and the entire principal hereof then remaining unpaid, together with all charges, shall, at the Lender's option, become immediately due and payable and/or the Lender by and through its Director may, in the Director's sole and complete discretion and in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the Recipient is located to pay the amount due from funds which would otherwise be appropriated to the Recipient from such county's undivided local government fund pursuant to Section 5747.51 to 5747.53 of the Revised Code. The Lender may exercise this option to direct the county treasurer to pay the amount due from the local government fund without any notice or demand during any default by Recipient regardless of any prior forbearance. The lender shall be entitled to collect all costs incurred by the Lender in curing such default, including, but not limited to court costs and reasonable attorney fees from a suit brought to collect this Note. In addition, if the Lender exercises its option to direct the county treasurer to pay the amount due from the local government fund, the Lender shall be entitled to collect all reasonable costs and expenses of any efforts by the Lender to collect the amount due from the local government fund, including but not limited to reasonable attorneys' fees. Lender may, at its option, delay in or refrain from exercising some or all its rights and remedies without prejudice thereto and regardless of any prior forbearance.

This Note was executed in Cuyahoga County, Ohio. The Recipient represents that it has received all the necessary approvals from its legislative or authorizing body to execute and deliver this Note to the Lender.

By: _____
Eric Dean, Finance Director

EX.B

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 110

By: Mayor Perciak and All Members of Council

A RESOLUTION DECLARING THE OFFICIAL INTENT AND REASONABLE EXPECTATION OF THE CITY OF STRONGSVILLE ON BEHALF OF THE STATE OF OHIO AS THE BORROWER TO REIMBURSE ITS SANITARY SEWER FUND FOR THE WASTEWATER TREATMENT PLANTS B & C REHABILITATION PROJECT (OPWC PROJECT NOS. CA15AB & CA16AB) WITH THE PROCEEDS OF TAX-EXEMPT DEBT OF THE STATE OF OHIO, AND DECLARING AN EMERGENCY.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

Section 1. That the City of Strongsville reasonably expects to receive a reimbursement for the Wastewater Treatment Plants B & C Rehabilitation Project (the "Project"), as set forth in Appendix A of the Project Loan Agreement with the Ohio Public Works Commission, with the proceeds of bonds to be issued by the State of Ohio.

Section 2. That the maximum aggregate principal amount of bonds, other than for costs of issuance, expected to be issued by the State of Ohio for reimbursement to the local subdivision is \$2,414,035.00.

Section 3. That the Clerk of Council is hereby directed to file a copy of this Resolution with the City of Strongsville for the inspection and examination of all persons interested therein and to deliver a copy of this Resolution to the Ohio Public Works Commission.

Section 4. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution 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 actions were in meetings open to the public, in compliance with all legal requirements.

Section 5. That this Resolution is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health, safety, and general welfare of the inhabitants of the City, and for the further reason that it is necessary in order for the City to begin requesting disbursements of the loan from the Ohio Public Works Commission for funding assistance in connection with the Project, and to conserve public funds. Therefore, provided this Resolution receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

CITY OF STRONGSVILLE, OHIO
RESOLUTION NO. 2024 – 110
Page 2

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

RES
Ord. No. 2024-110 Amended: _____
1st Rdg. _____ Ref: _____
2nd Rdg. _____ Ref: _____
3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
Adopted: _____ Defeated: _____

CITY OF STRONGSVILLE, OHIO

ORDINANCE NO. 2024 – 111

By: Mayor Perciak and All Members of Council

AN ORDINANCE AUTHORIZING THE MAYOR TO APPLY FOR, ACCEPT AND ENTER INTO A COOPERATIVE AGREEMENT WITH THE OHIO WATER DEVELOPMENT AUTHORITY FOR IMPROVEMENTS TO WASTEWATER TREATMENT PLANTS B & C IN CONNECTION WITH THE WASTEWATER TREATMENT PLANTS REHABILITATION PROJECT, AND DECLARING AN EMERGENCY.

WHEREAS, the City of Strongsville (hereinafter referred to as the "LGA"), has determined to proceed with the Wastewater Treatment Plants B & C Rehabilitation Project in order to provide critical improvements and upgrades to such wastewater treatment plants; and

WHEREAS, the LGA desires to obtain a loan from the Ohio Water Development Authority (hereinafter referred to as the "OWDA") to finance costs of the planning of such Project on the terms set forth in the Cooperative Agreement (defined below); and

WHEREAS, the OWDA has indicated its willingness to make a loan for that purpose and on those terms.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

Section 1. That the LGA hereby approves the planning of the aforesaid Wastewater Treatment Plants B & C Rehabilitation Project in cooperation with the OWDA under the provisions, terms and conditions set forth in the "Cooperative Agreement for Construction, Maintenance and Operation of State Water Project or Wastewater Project" as set forth in Exhibit A (the "Cooperative Agreement") and hereby authorizes the Mayor and the Director of Finance of the LGA to execute the Cooperative Agreement with the OWDA substantially in the form set forth in Exhibit A.

Section 2. That the Mayor, the Director of Finance, the City Engineer and their authorized designees be and are hereby authorized and directed to provide, execute and deliver such other information and documents as may be required in connection therewith; and to do all things necessary to perform the terms and conditions of the Agreement in accordance with their respective responsibilities.

Section 3. That the funds necessary to finance the aforesaid project have been appropriated and shall be paid from the Sanitary Sewer Fund and/or OWDA funds.

Section 4. That it is found and determined that all formal actions of this Council concerning and relating to the adoption 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.

CITY OF STRONGSVILLE, OHIO
ORDINANCE NO. 2024 – 111
Page 2

Section 5. That this Ordinance is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health, safety and welfare of the City, and for the further reason that it is immediately necessary for the execution of said Agreement in order to proceed with the Project, to eliminate hazards, provide for critical improvements to the City's wastewater treatment plants, and to conserve funds. Therefore, provided this Ordinance receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

Ord. No. 2024-111 Amended: _____
1st Rdg. _____ Ref: _____
2nd Rdg. _____ Ref: _____
3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
Adopted: _____ Defeated: _____

COOPERATIVE AGREEMENT FOR CONSTRUCTION, MAINTENANCE
AND OPERATION OF STATE WATER PROJECT OR WASTEWATER PROJECT

THIS AGREEMENT made and entered into as of the date specified on Schedule I hereto (the "Term Sheet," which is fully incorporated herein and made a part hereof) as the "Agreement Date," by and between the OHIO WATER DEVELOPMENT AUTHORITY, a body corporate and politic organized and existing under the provisions of Chapter 6121 of the Revised Code of Ohio (hereinafter referred to as the "OWDA") and the governmental body specified as the "LGA" on the Term Sheet (hereinafter referred to as the "LGA"), a governmental body organized and existing under the laws of the State of Ohio and acting pursuant to an ordinance or a resolution passed by the legislative authority thereof on the date specified on the Term Sheet as the Resolution Date;

WITNESSETH:

WHEREAS, the OWDA has been created, among other reasons, to carry forward the declared public policy of the State of Ohio to preserve, protect, upgrade, conserve, develop, utilize and manage the water resources of the state, to prevent or abate the pollution of water resources, to promote the beneficial use of waters of the state for the protection and preservation of the comfort, health, safety, convenience, and welfare, and the improvement of the economic and general welfare and employment opportunities of and the creation of jobs for the people of the state, and to assist and cooperate with other governmental agencies in achieving such purposes through the establishment, operation and maintenance of water development projects pursuant to Chapter 6121 of the Revised Code; and

WHEREAS, the water system or wastewater system (hereinafter more fully defined and referred to as the "System") of the LGA will require the supply of services (the "Services") for the treatment and/or transmission of drinking water (in the case of a water project) or for the treatment or disposal of wastewater (in the case of a wastewater project) from the construction, operation and maintenance of new or additional facilities (which facilities are hereafter referred to as the "Project Facilities"); and

WHEREAS, the LGA is desirous of obtaining the Services for the System in cooperation with the OWDA; and

WHEREAS, the OWDA is willing to cooperate with the LGA in obtaining such Services, and the LGA has given the OWDA reasonable assurances that the LGA will make the payments hereinafter provided for and will fulfill its other obligations hereunder; and

WHEREAS, the OWDA and LGA have determined to enter into this Agreement to set forth their respective obligations with respect to the financing, construction, operation and ownership of the Project Facilities;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto do hereby agree as follows:

ARTICLE I - DEFINITIONS

Except where the context clearly indicates otherwise, the following terms as used in this Agreement shall have the meaning ascribed to them in this Article:

DEFINITIONS RELATING TO PHYSICAL FACILITIES

(a) "Approved Application" means the application of the LGA dated as of the date specified on the Term Sheet as the "LGA Application Date," submitted to the OWDA, together with all attachments, supporting documentation, amendments and supplements thereto as approved by the OWDA on the date specified on the Term Sheet as the "OWDA Application Approval Date," together with any amendments thereto approved by the LGA and the OWDA after the date of this Agreement.

(b) "Project Facilities" means the facilities to be constructed pursuant to this Agreement as described generally in Exhibit A attached hereto and made a part hereof and more particularly described in the Approved Application together with any changes therein made pursuant to Article III hereof.

(c) "Project Site" means all land, rights-of-way, property rights, easements, franchise rights or other interests in real estate necessary for the construction and operation of the Project Facilities.

(d) "System" means the facilities of the LGA specified as the "System" on the Term Sheet.

DEFINITIONS RELATING TO COSTS

(e) "Eligible Project Costs" shall include, whether incurred before or after the date of this Agreement (but if incurred prior to the date hereof, subject to the restrictions set forth in the first proviso below), the following costs of the Project Facilities and the Project Site: the purchase price of the Project Site when acquired by purchase, or the value thereof when appropriated as found by the jury, together with the costs of the proceedings and the damages assessed in favor of any owner of the adjoining lands and interests therein, subject to the second proviso set forth below; the cost of demolishing or removing any buildings or structures on the Project Site, including the cost of acquiring any lands to which such buildings or structures may be removed, subject to the second proviso set forth below; the cost of diverting highways, interchange of highways, and access roads to private property, including the cost of easements therefor, subject to the second proviso set forth below; the costs of construction of the Project Facilities including, but not limited to, the cost of all machinery, furnishings and equipment included therein; interest on all funds disbursed by the OWDA (other than funds paid over to the OWDA by the LGA for disbursement by the OWDA) at the Contract Interest Rate from the date of disbursement by the OWDA of each portion thereof pursuant to Section 3.8 hereof to the first day of the January or the July next preceding the commencement of the Contract Period of Years based on the then existing cost allocations; engineering expenses for the Project Facilities including, but not limited to, the cost of preliminary and other surveys, the cost of preparing plans, estimates and specifications, the cost of all necessary soil and other investigations and laboratory testing, and resident engineering and inspection fees; the cost of printing and

publishing the notices and legislation required; legal expenses; administrative expenses of the OWDA in the amount of 0.35% of all Eligible Project Costs other than such administrative expenses, or \$400, whichever is the greater; any obligation for the repayment of borrowed money incurred by the LGA to the OWDA under any Cooperative Agreement for State Planning Project between the LGA and OWDA with respect to the Project Facilities, and any other necessary miscellaneous expenditures; provided, however, that Eligible Project Costs shall include costs incurred prior to the date hereof only if and to the extent that, in the opinion of nationally recognized bond counsel satisfactory to the OWDA, the payment of such costs by the OWDA would not cause the interest on any debt obligations of the OWDA to cease to be excluded from gross income for purposes of federal income taxation; and provided further, however, that Eligible Project Costs shall include costs for the acquisition of real property or interests therein (other than easements) only if the OWDA shall have received from the LGA reasonably sufficient assurances, satisfactory to the OWDA, as to environmental matters related to such real property. Notwithstanding anything contained herein to the contrary, Eligible Project Costs shall not include any commissions, fees and/or expenses which may be owed by the LGA to a broker or finder as a result of or in connection with the OWDA's agreement to pay the Eligible Project Costs to the LGA as provided herein.

DEFINITIONS RELATING TO PARTICIPATION IN COSTS

(f) "Original Loan Amount" means those Eligible Project Costs that are paid with moneys disbursed out of funds of the OWDA, which costs shall in no event exceed the amount specified on the Term Sheet as the "Maximum Original Loan Amount."

(g) "Semiannual Payment Obligation" means the amount payable semiannually by the LGA to amortize the Original Loan Amount over the Contract Period of Years with interest on the outstanding balance of the Original Loan Amount at the Contract Interest Rate. An estimate of the Semiannual Payment Obligation based on the Maximum Original Loan Amount and the Contract Interest Rate is specified on the Term Sheet beneath the Maximum Original Loan Amount.

If the Contract Period of Years commences prior to the final determination of the Original Loan Amount, the Semiannual Payment Obligation shall be based upon the best figures available at the time the computation of each semiannual payment is required to be made. When such final costs are known, the Semiannual Payment Obligation shall be recomputed and the next following semiannual payment shall be either increased or decreased by a factor sufficient to correct for any overpayment or underpayment through the date of such recomputation so that the total amount received by OWDA over the Contract Period of Years will be the same amount as would have been received had the final Original Loan Amount been used in computing the Semiannual Payment Obligation at the commencement of the Contract Period of Years. The interest during construction computed at the Contract Interest Rate shall, however, be computed based on the then existing cost allocations at the time of such computation and shall not be recomputed.

(h) "Contract Interest Rate" means the rate specified as such on the Term Sheet.

(i) "Contract Period of Years" means the period of the Contract Term specified in the Term Sheet, commencing on the date six months prior to the First Payment Date specified in the Term Sheet.

(j) "Default Rate" means a rate equal to the Contract Interest Rate plus three percentage points.

(k) "Pledged Revenues" means the revenues derived by the LGA from the ownership and operation of the System (including, without limitation, any Special Assessment Funds), net of the costs of operating and maintaining the System and paying all amounts required to be paid under any Mortgage, Indenture of Mortgage, Trust Agreement or other instrument heretofore or hereafter entered into by the LGA to secure debt obligations heretofore or hereafter issued or incurred by the LGA for the System.

(l) "Special Assessment Funds" means the proceeds from the special assessments to be hereafter levied, if any, by the LGA to pay all or a portion of the cost of the Project.

ARTICLE II - PROPERTY INTERESTS IN PROJECT SITE AND PROJECT FACILITIES AND RIGHTS OF ACCESS THERETO

Section 2.1. All real estate and interests in real estate and all personal property constituting the Project Facilities and the Project Site shall be acquired by and shall be the property of the LGA.

Section 2.2. The LGA agrees that the OWDA and its duly authorized agents shall have the right at all reasonable times to enter upon the Project Site and Project Facilities and to examine and inspect the same. The LGA further agrees that the OWDA and its duly authorized agents shall have such rights of access to the Project Site and Project Facilities as may be reasonably necessary to enable the OWDA to exercise its rights pursuant to Section 5.8 hereof.

ARTICLE III - ACQUISITION OF PROJECT SITE, CONSTRUCTION OF PROJECT FACILITIES AND PAYMENT OF COSTS THEREOF

Section 3.1. Subject to the terms and conditions of this Agreement, the LGA shall do all things necessary to construct the Project Facilities on the Project Site (which the LGA hereby represents has been acquired by the LGA) by means of the construction contract(s) specified on Exhibit B hereto. The LGA shall use its best efforts to cause the Project Facilities to be fully operational by the date specified on the Term Sheet as the "Operational Date."

In connection with the construction of the Project Facilities, the LGA agrees that:

(a) The construction contract(s) will provide that the representatives of the OWDA will have access to the work whenever it is in preparation or progress and that the contractor will provide proper facilities for such access and inspection.

(b) The construction of the Project Facilities on the Project Site will be performed in compliance with all applicable federal, state and local environmental laws and regulations in effect as of the date hereof.

(c) All laborers and mechanics employed on the Project Facilities shall be paid at the prevailing rates of wages of laborers and mechanics for the class of work called for by the Project Facilities, which wages shall be determined in accordance with the requirements of Chapter 4115, Ohio Revised Code, for determination of prevailing wage rates.

(d) Prior to the commencement of construction, the LGA will arrange and conduct a preconstruction conference to include representatives of the OWDA, the LGA and the consulting or resident engineers of the LGA and each contractor.

(e) Each construction contract and contractor's estimate form will be prepared so that materials and equipment furnished to the LGA may be readily itemized.

(f) All requests submitted by the LGA for the payment or reimbursement of incurred Eligible Project Costs shall include evidence of the costs incurred and will be prepared so that such costs may be readily itemized.

(g) Any change or changes in a construction contract that would increase the contract price by an amount in excess of one percent (1%) or any change or changes regardless of cost that substantially modify the processes contemplated to be performed by the Project Facilities will be submitted to the OWDA for prior approval.

(h) Notification of all change orders not requiring prior approval of the OWDA will be submitted to the OWDA within one (1) month of the time at which they are ordered by the resident or consulting engineer of the LGA.

(i) The construction of the Project Facilities, including the letting of contracts in connection therewith, will conform to applicable requirements of federal, state and local laws, ordinances, rules and regulations.

(j) The LGA will proceed expeditiously with, and complete, the Project Facilities in accordance with the Approved Application and any surveys, plans, profiles, cross sections and specifications or amendments thereto approved by the Director of Environmental Protection of Ohio.

(k) Notwithstanding anything contained herein to the contrary, the obligation of the OWDA to pay Eligible Project Costs pursuant to the terms and conditions of this Agreement shall expire three (3) years from the date hereof. Upon the expiration of the aforesaid period of years, the OWDA shall not be obligated to pay any additional Eligible Project Costs to the LGA hereunder. In the event that the OWDA, in its sole discretion, decides to pay additional Eligible Project Costs after the expiration of its obligation to do so hereunder, it shall so notify the LGA. No such decision by the OWDA to pay any additional Eligible Project Costs hereunder shall be deemed to constitute an extension of its obligation to pay Eligible Project Costs hereunder.

Except as otherwise provided in this Agreement, the LGA shall have the sole and exclusive charge of all details of the construction of the Project Facilities.

Section 3.2. The LGA shall keep accurate records of the Eligible Project Costs. The LGA shall permit the OWDA, acting by and through the Executive Director of the OWDA or his authorized representatives, to inspect all books, documents, papers and records relating thereto at any and all reasonable times for the purpose of audit and examination, and the LGA shall submit to the OWDA such documents and information as they may reasonably require in connection therewith.

Section 3.3. The LGA shall require that each construction contractor shall furnish a performance and payment bond in an amount at least equal to one hundred percent (100%) of the contractor's contract price as security for the faithful performance of the contractor's contract.

Section 3.4. The LGA shall require that each of its contractors and all subcontractors maintain during the life of their contracts Workers' Compensation Insurance, Public Liability, Property Damage, and Vehicle Liability Insurance, in amounts and on terms that comply with all applicable legal requirements and that are commercially reasonable. Until the Project Facilities are completed and accepted by the LGA, the LGA or (at the option of the LGA) the contractor shall maintain Builders Risk Insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project Facilities for the benefit of the OWDA, the LGA, the prime contractor, and all subcontractors, as their respective interests may appear.

Section 3.5. The LGA shall provide and maintain competent and adequate resident engineering services satisfactory to the OWDA covering the supervision and inspection of the development and construction of the Project Facilities and bearing the responsibility of ensuring that construction conforms with the approved surveys, plans, profiles, cross sections and specifications and certifying to the OWDA and the LGA at the completion of construction that construction is in accordance with the approved surveys, plans, profiles, cross sections and specifications or approved amendments thereto.

Section 3.6. Subject to the terms and conditions of this Agreement, the Eligible Project Costs shall be paid by the OWDA. In the event this Agreement is terminated by the OWDA pursuant to, and not in breach of, the provisions of this Agreement, or by subsequent agreement of the parties, or in the event this Agreement is terminated by the LGA, whether or not in breach of the Agreement, the Eligible Project Costs incurred prior to the date of the commencement of the construction of the Project Facilities or the date of such termination, whichever is earlier, shall be paid by the LGA. If such termination takes place following the date of the commencement of the construction of the Project Facilities, all Eligible Project Costs incurred following such commencement date and prior to the date of termination, with the exception of all costs attributable to the acquisition of the Project Site, shall be borne by: (1) the LGA if this Agreement is terminated at such time by the LGA; or (2) by the OWDA if this Agreement is terminated at such time by the OWDA, but in any event, all costs attributable to the acquisition of the Project Site shall be borne by the LGA. Any moneys paid by either party hereto pursuant to this Agreement which become the obligation of the other party under the

provisions of this Section shall be repaid in not more than three (3) years after termination with interest on the outstanding balances at the Contract Interest Rate.

Section 3.7. The OWDA may decline to deliver any further certificates of availability of funds pursuant to Section 3.8 hereof from and after any determination by the OWDA that any information furnished to the OWDA, in writing or otherwise, in connection with the LGA's application for the transactions contemplated by this Agreement was false or misleading in any material respect or that such information omitted any other information needed to make the information furnished not false or misleading in any material respect.

Section 3.8. Subject to Section 3.7 hereof, the OWDA shall deliver to the LGA a certificate, certifying that moneys in the amount necessary to pay the Eligible Project Costs obligated or to be obligated up to the Maximum Original Loan Amount are available or are in the process of collection and have been encumbered by the Authority. When such Eligible Project Costs have been incurred and payment requested from the OWDA by the LGA in form and detail satisfactory to the OWDA, the OWDA shall cause to be delivered checks in payment of the invoices, demands for payment, approved contractors' estimates or other evidence of cost incurrence to the persons or entities entitled to payment in conformity with the encumbrance of funds set forth to pay such obligated Eligible Project Costs.

Section 3.9. The LGA represents and agrees that it will not seek or obtain alternative funding for the Eligible Project Costs of the Project Site and the Project Facilities without the prior written consent of the OWDA. The LGA acknowledges that the OWDA may inform potential and actual investors of bonds issued by the OWDA regarding the details of this Agreement, and that such investors may make an investment decision based on this Agreement.

Section 3.10. Upon completion of the Project Facilities, the LGA shall make a full and complete accounting to the OWDA of the final Eligible Project Costs.

ARTICLE IV - PAYMENTS BY LGA

Section 4.1. Subject to the further provisions hereinafter set forth, the LGA agrees to and shall pay semiannually on January 1 and July 1 of each year of the Contract Period of Years, commencing on the First Payment Date (each such date a "Due Date"), to the OWDA, but solely from the Pledged Revenues, the Semiannual Payment Obligation. In the event that the LGA pays less than the full amount due hereunder on any Due Date, then the amount so paid shall be applied first to interest payable hereunder, then to any late charges payable hereunder, and then to the Original Loan Amount payable hereunder. The LGA acknowledges and agrees that the OWDA afforded the LGA the opportunity to choose between a schedule of payments based on equal principal payments and one based on equal debt service payments and that the estimated Semiannual Payment Obligation shown on the Term Sheet reflect the choice of the LGA.

The obligation of the LGA to pay the charges set forth shall not be assignable, and the LGA shall not be discharged therefrom, without the prior written consent of the OWDA. In the event that services supplied by the Project Facilities or any other portion of the System shall cease or be suspended for any reason, the LGA shall continue to be obligated to pay the charges

pursuant to this Section 4.1, but solely from the Pledged Revenues. If the LGA does not pay any of the charges set forth in this Section 4.1 on or before the 5th day after the Due Date, the amount of such default shall bear interest at the Default Rate from the Due Date until the date of the payment thereof. Interest at the Default Rate shall be calculated for the actual number of days of default from the Due Date until payment on the basis of a 360 day year. If the LGA does not pay any of the charges set forth in this Section 4.1 on or before the 30th day after the Due Date, in addition to the interest calculated at the Default Rate, a "late charge" of one percent (1%) on the amount of each default shall also be paid to the OWDA by the LGA from the Pledged Revenues for failure to make the payment as provided herein. Thereafter, for each additional thirty (30) days during which the charges remain unpaid, the LGA shall continue to pay from the Pledged Revenues an additional late charge of one percent (1%) on the amount of such default until such charges are paid. In no event shall the OWDA collect interest or late charges in excess of the maximum amount permitted by law. In addition to the foregoing, in the event of a default as aforesaid, all of the costs incurred by the OWDA in curing such default including, but not limited to, court costs and attorney fees, shall (to the extent not previously repaid to the OWDA and to the fullest extent permitted by law) be paid as part of the Eligible Project Costs hereunder and be repaid by the LGA to the OWDA as part of the Original Loan Amount.

Anything in this Agreement to the contrary notwithstanding, neither the general resources of the LGA shall be required to be used, nor shall the general credit of the LGA be pledged for the performance of any duty under this Agreement, but any payment to be made under this Agreement shall be required to be made only from the Pledged Revenues, which are hereby pledged to such payment; provided, however, that, if otherwise lawful, nothing herein shall be deemed to prohibit the LGA from using, of its own volition, any of its general resources for the fulfillment of any of the terms and conditions of this Agreement.

Section 4.2. It is agreed that, no later than June 15 and December 15 of each year of the Contract Period of Years, the OWDA shall invoice the LGA for the sum payable by the LGA pursuant to Section 4.1 and that payment of each such invoice shall be made by the LGA to the OWDA not later than the first day of the following month. No failure by the OWDA to send any such invoice and no failure by the LGA to receive any such invoice shall relieve the LGA from its obligation to pay the amount due hereunder on the applicable Due Date.

Section 4.3. The LGA hereby agrees that: (a) from and after the completion and placement into operation of the Project Facilities, it will at all times prescribe and charge such rates for the services of the System as shall result in Pledged Revenues at least adequate to provide for the payments required by Section 4.1 hereof and shall from time to time at the request of the Authority cause a study of the sufficiency of the LGA's rates for that purpose to be done by an independent expert acceptable to the OWDA; (b) the LGA will furnish to the OWDA annually reports of the operation and income of the System and also an annual report of the accounts and operations of the System and such other documents as the OWDA may reasonably request in order to respond to requests for documentation from rating agencies or providers or potential providers of credit enhancement for debt obligations of the OWDA, and the LGA will permit the authorized agent of the OWDA to inspect all records, accounts and data of the System at all reasonable times; and (c) that the LGA will segregate the revenues, funds and properties of the System from all other funds and properties of the LGA. All of the obligations under this

Section are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the LGA within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 4.4. If the LGA pays all or any portion of the Semiannual Payment Obligation from Special Assessment Funds and if any payor of the Special Assessment Funds elects to pay the special assessments in a one-time, lump-sum payment in lieu of having the special assessments certified to the appropriate county auditor for periodic collection, then the LGA may elect to apply the amount of such payment to a reduction of the Original Loan Amount by including that amount with its next payment of the Semiannual Payment Obligation pursuant to Section 4.1 hereof, accompanied by a written notice to the Authority identifying the amount so included and directing the Authority so to apply that amount. Upon the receipt of such payment and notice, the Authority shall recompute the remaining payments of the Semiannual Payment Obligation based on the reduced Original Loan Amount and shall notify the LGA in writing of the reduced amount of the remaining payments.

Section 4.5. In order to enable the OWDA to comply with the requirements of federal securities laws (including, without limitation, Rule 10b-5 and Rule 15c2-12 (“Rule 15c2-12”) each promulgated by the Securities and Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934, as amended), the LGA agrees to prepare and file with the OWDA or, at the direction of the OWDA, to file with the Municipal Securities Rulemaking Board (“MSRB”) through the EMMA System (as defined below), any annual financial information or material events disclosures that the OWDA may determine it requires to achieve such compliance. The LGA consents to the OWDA’s incorporation by reference into OWDA official statements or other OWDA filings with the MSRB of any official statements or portions thereof, financial statements, or other documents that the LGA may have filed or may file with the MSRB. In the event the LGA fails to prepare any financial statement or other financial information that this Section requires the LGA to prepare and file with or at the direction of the OWDA, then the OWDA shall have the right (in addition to any other rights it may have to enforce the obligations of the LGA hereunder) to inspect all records, accounts and data of the System and cause the preparation of the required financial statement or information and to employ such professionals as it may reasonably require for that purpose, and to be reimbursed from any available Pledged Revenues for the costs of its doing so. This Section shall not be construed to limit the generality of Section 4.3 hereof. For purposes of this Section 4.7, “EMMA System” shall mean the Electronic Municipal Market Access system of the MSRB for use in the collection and dissemination of information, which system the SEC has stated to be consistent with its Rule 15c2-12. Currently, the website address for EMMA is emma.msrb.org. The LGA acknowledges that the OWDA is not responsible for any of the LGA’s required filings under Rule 15c2-12 related to other indebtedness of the LGA, including, but not limited to, as to whether this Agreement is considered a “Financial Obligation” under Rule 15c2-12.

ARTICLE V - MAINTENANCE, OPERATION, INSURANCE AND CONDEMNATION

Section 5.1. The LGA agrees that during the Contract Period of Years that: (a) it will, subject to its right to contest in good faith the issue of non-compliance, operate the Project

Facilities and the System, or cause them to be operated, in compliance with all applicable federal, state and local environmental laws and regulations in effect during such period, and (b) it will, subject to its right to discontinue use or operation of the Project Facilities or the System or any part thereof in accordance with this Agreement, keep the Project Facilities and the System, including all appurtenances thereto and the equipment and machinery therein, or cause them to be kept, in good repair and good operating condition so that the completed Project Facilities and System will continue to operate with substantially the same efficiency as when first constructed.

The LGA shall have the privilege of making additions, modifications and improvements to, making deletions from and discontinuing the use or operation of all or any part of, the Project Site, the Project Facilities, and the System from time to time; provided, that the cost of any additions, modifications and improvements shall be paid by the LGA, and the same shall be the property of the LGA and be included under the terms of this Agreement as part of the Project Site or the Project Facilities, as the case may be, and the System; and provided further that the LGA shall make no modification to, make any deletion from or discontinue the use or operation of all or any part of, the Project Site, the Project Facilities, or the System, the result of which would be a material decrease in the Pledged Revenues without first obtaining the written consent of the OWDA thereto.

Section 5.2. The LGA agrees that it will commence, or will cause to be commenced, operation of the Project Facilities immediately upon the completion of the construction thereof and the receipt of any governmental approvals required for the commencement of their operation, and will not discontinue operation of the Project Facilities or any other part of the System without meeting all conditions to and requirements for such discontinuance imposed by law and this Agreement. The LGA agrees that it will provide adequate operation and maintenance of the Project Facilities and the System to comply with all applicable water quality standards established for the river basin served by the Project Facilities and with all applicable rules and regulations of the Director of Environmental Protection of Ohio. The LGA agrees that sufficient qualified operating personnel will be retained by the LGA to operate the Project Facilities and the System, or will be required to be obtained by any independent contractor engaged by the LGA to operate the Project Facilities and the System or any portion thereof, and that all operational tests and measurements necessary to determine compliance with the preceding sentence will be performed to insure proper and efficient operation and maintenance of the Project Facilities and each other part of the System until the end of the Contract Period of Years or the discontinuance of the operation of the Project Facilities or of such other part of the System in accordance with Section 5.1 and this Section 5.2.

The LGA will permit the OWDA and its agents to have access to the records of the LGA pertaining to the operation and maintenance of the Project Facilities and the System at any reasonable time.

Section 5.3. The LGA agrees to insure, or cause to be insured, the Project Facilities and the System in such amounts as similar properties are usually insured by political subdivisions similarly situated, against loss or damage of the kinds usually insured against by political subdivisions similarly situated, by means of policies issued by reputable insurance companies duly qualified to do such business in the State of Ohio.

Section 5.4. Any insurance policy issued pursuant to Section 5.3 hereof shall be so written or endorsed as to make losses, if any, payable to the OWDA and the LGA as their respective interests may appear. Each insurance policy provided for in Sections 5.3 and 5.6 hereof shall contain a provision to the effect that the insurance company shall not cancel the same without first giving written notice thereof to the OWDA and the LGA at least ten (10) days in advance of such cancellation.

Section 5.5. The net proceeds of the insurance carried pursuant to the provisions of Sections 5.3 and 5.6 hereof shall be applied as follows: (i) the net proceeds of the insurance required in Section 5.3 hereof shall be applied as provided in Section 5.9 hereof, and (ii) the net proceeds of the insurance required in Section 5.6 hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

Section 5.6. The LGA agrees that it will carry, or will cause to be carried, public liability insurance with reference to the Project Facilities with one or more reputable insurance companies duly qualified to do business in the State of Ohio, in minimum amounts of \$500,000 for the death of or personal injury to one person and \$1,000,000 for personal injury or death for each occurrence in connection with the Project Facilities and \$500,000 for property damage for any occurrence in connection with the Project Facilities. The OWDA shall be made an additional insured under such policies.

Section 5.7. Throughout the Contract Period of Years, the LGA shall maintain Workers' Compensation Coverage or cause the same to be maintained in accordance with state law.

Section 5.8. In the event the LGA shall fail to maintain, or cause to be maintained, the full insurance coverage required by this Agreement or shall fail to keep, or cause to be kept, the Project Facilities in good repair and operating condition, or shall fail to operate, or cause to be operated, the Project Facilities in accordance with Section 5.2 hereof, the OWDA may (but shall be under no obligation to) take out the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary or may hire the necessary operating personnel to insure compliance with Section 5.2 and provide for payment thereof; and all amounts so advanced therefor by the OWDA shall become an additional obligation of the LGA to the OWDA which amounts, together with interest thereon at the Contract Interest Rate or at the rate of eight per centum (8%) per annum, whichever is greater, from the date thereof, the LGA agrees to pay.

Section 5.9. If prior to the completion of the Contract Period of Years the Project Facilities shall be damaged or partially or totally destroyed by fire, flood, windstorm or other casualty, there shall be no abatement or reduction in the amounts payable by the LGA pursuant to Section 4.1 hereof, and the LGA will (i) promptly repair, rebuild or restore the property damaged or destroyed, and (ii) apply for such purpose so much as may be necessary of any net proceeds of insurance policies resulting from claims for such losses as well as any additional moneys of the LGA necessary therefor. All net proceeds of insurance resulting from claims for such losses shall be paid to the LGA.

Section 5.10. In the event that title to or the temporary use of the Project Site the Project Facilities, or the System, or any part thereof, shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, there shall be no abatement or reduction in the amounts payable by the LGA pursuant to Section 4.1 hereof, and any net proceeds received from any award made in such eminent domain proceedings shall be paid to and held by the LGA in a separate condemnation award account and shall be applied by the LGA in either or both the following ways as shall be determined by the LGA:

(a) The restoration of the facilities of the System to substantially the same condition as they existed prior to the exercise of said power of eminent domain, or

(b) The acquisition of additional real estate, if necessary, and facilities, by construction or otherwise, equivalent that, when added to the remaining real estate and facilities of the System, will cause the System to be substantially the equivalent of the System as it existed prior to the exercise of said power of eminent domain, which real estate and facilities shall be deemed a part of the Project Site or the Project Facilities, as the case may be, and the System, without the payment of any amounts other than herein provided, to the same extent as if such real estate and facilities were specifically described herein.

Any balance of the net proceeds of the award in such eminent domain proceedings shall be paid to the LGA upon delivery to the OWDA of a certificate signed by an authorized officer of the LGA that the LGA has complied with either paragraph (a) or (b), or both, of this Section. The OWDA shall cooperate fully with the LGA in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project Site, the Project Facilities, the System, or any part thereof. In no event will the LGA voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project Site, the Project Facilities, the System or any part thereof without the written consent of the OWDA.

ARTICLE VI - REPRESENTATIONS AND AGREEMENTS
OF THE LGA IN REGARD TO ENVIRONMENTAL MATTERS;
EVENTS OF DEFAULT AND REMEDIES THEREFOR;
INDEMNIFICATION

Section 6.1. The LGA hereby represents that:

(a) It is, and the LGA hereby covenants that it shall remain, in compliance with all applicable federal, state and local environmental laws and regulations applicable to the System during the Contract Period of Years, subject to its right to contest in good faith the issue of non-compliance;

(b) There is no litigation or administrative action or proceeding pending or, to the best of its knowledge, threatened against the LGA, alleging a violation of any federal, state or local environmental law or regulation applicable to the System except as set forth in the attached;

(c) No judgment or consent order has been rendered against it, nor is it a party to any agreement, which consent order, judgment or agreement imposes, will impose or has imposed any fines or monetary penalties for the violation of any federal, state or local environmental law or regulation applicable to the System that have not been paid in full except as set forth in the attached; and

Section 6.2. The LGA agrees that each of the following shall be an event of default ("Event of Default") under this Agreement:

(a) The LGA shall fail to make any payment to the OWDA required pursuant to this Agreement when the same is due and payable, including, without limitation, any amount due and payable pursuant to Article IV hereof; or

(b) The LGA shall fail to observe and perform any other obligations, agreements or provisions herein, which failure shall continue for thirty (30) days after receipt of written notice thereof from the OWDA; provided, however, that such failure shall not constitute an Event of Default under this Agreement if the LGA demonstrates both of the following to the satisfaction of the OWDA: i) cure of such failure cannot be effected within thirty (30) days; and ii) the LGA is taking all reasonably necessary actions to cure such failure with all deliberate speed.

(c) Any representations made by the LGA in Section 6.1. shall at any time during the Contract Period of Years prove to be false.

Section 6.3. Whenever an Event of Default shall have happened and be subsisting, the OWDA may exercise any and all rights and remedies for the enforcement of the obligations of the LGA hereunder. In addition to any other rights or remedies provided herein, by law or otherwise, the OWDA may:

(a) declare the full amount of the then unpaid Original Loan Amount to be immediately due and payable;

(b) to the extent permitted under any judgment, consent order or agreement affecting the LGA, require the LGA to agree to subordinate the payment of any fines or penalties imposed for the violation of any federal, state or local environmental law or regulation applicable to the System to the payment of the Original Loan Amount and the interest and any late charges due thereon, and the LGA hereby agrees to use its best efforts to effect such subordination.

Section 6.4. No right or remedy conferred upon the OWDA under Section 6.3 hereof is intended to be exclusive of any other right or remedy given herein, by law or otherwise. Each right or remedy shall be cumulative and shall be in addition to every other remedy given herein, by law or otherwise.

Section 6.5. The LGA releases the OWDA from, agrees that the OWDA shall not be liable for, and agrees, to the fullest extent permitted by law, to hold the OWDA, its officers, employees and agents harmless against, any loss or damage to property, or any loss or injury to or death of any person, or any other loss or damage, that may be occasioned by any cause whatsoever pertaining to the System, the Project Facilities, or the use thereof; provided that such

indemnity under this Section shall not be effective for damages that result from negligent or intentional acts of the OWDA, its officers, employees and agents. The LGA further agrees, to the fullest extent permitted by law, to indemnify and hold harmless the OWDA and its officers, employees and agents against and from any and all cost, liability, expenses and claims arising from any breach or default on the part of the LGA in the performance of any covenant or agreement on the part of the LGA to be performed pursuant to the terms of this Agreement, arising from the acquisition, construction, installation, or improvement of the Project Facilities or arising from any act or negligence of or failure to act by the LGA, or any of its agents, contractors, servants, employees or licensees, or arising from any accident, injury or damage whatsoever caused to any person, firm, or corporation resulting from the Project Facilities or the System (other than any accident, injury, or damage that results from negligent or intentional acts of the OWDA, its officers, employees and agents), and from and against all cost, liability and expenses incurred in or in connection with any such claim or action, arbitration or proceeding brought thereon.

In case any action or proceeding be brought against the OWDA by reason of any claim described in this Section, the OWDA agrees to cause written notice of such action or proceeding to be given to the LGA, and the LGA upon notice from the OWDA covenants to resist or defend such action or proceedings at the LGA's expense including all legal and other expenses (including reasonable attorneys' fees).

Section 6.6 Each party agrees that the venue of any suit, action or proceedings relating to this Agreement will be the courts of the County of Franklin, Ohio or the Ohio Supreme Court, and each party irrevocably waives any objection that it may have to that venue and waives any right to trial by jury for any such suit, action or proceedings.

ARTICLE VII - PRIVATE BUSINESS USE RESTRICTIONS

Section 7.1. The LGA acknowledges that the OWDA may issue tax-exempt bonds to provide the funds to meet OWDA's obligations with regard to funding the applicable program and that the maintenance of the tax-exempt status of any such bonds will depend, in part, on the LGA's compliance with the provisions of this Agreement. Accordingly, the LGA agrees as follows:

(a) That it shall take no action that would cause bonds issued by the OWDA, the proceeds of which could fund this Agreement (the "OWDA Bonds") to fail to qualify as tax-exempt bonds, nor omit to take any action necessary to maintain such status;

(b) That it shall take any action that the OWDA reasonably may request it to take to maintain the status of the OWDA Bonds as tax-exempt bonds;

(c) That, to assure that the OWDA Bonds will not be or become "private activity bonds" within the meaning of 26 U.S.C.A. Section 141 of the Internal Revenue Code of 1986, as amended:

(i) The LGA shall not permit, at any time ten percent (10%) or more (in the aggregate) of that portion of the Project Facilities to be financed with funds borrowed from the OWDA hereunder (the "OWDA Funds") to be used by any person or persons for any private business use (as hereinafter defined) while at the same time the payment of principal of, or the interest on, the OWDA Funds is directly or indirectly (A) secured by any interest in (1) property used or to be used for a private business use or (2) payments made with respect to such property or (B) derived from (1) payments with respect to such property (whether or not made to the OWDA) or (2) borrowed money used or to be used for private business use.

(ii) No portion of the OWDA Funds will be used to make or finance loans to persons other than other governmental units.

For purposes of this Agreement, "private business use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit (as hereinafter defined). Use of any Project Facility or Project Site as a member of the general public will not be considered a private business use. Any activity carried on by a person other than a natural person shall be treated as a trade or business. Use by an organization which qualifies under 26 U.S.C.A. Section 501(c)(3) of the Internal Revenue Code of 1986, as it may be amended from time to time, shall be considered a private business use.

For purposes of this Agreement, "governmental unit" means a political subdivision within the United States, including any political subdivision within the State of Ohio, but does not mean the United States or any of its governmental branches, departments or agencies.

If there is any question about the application of the foregoing restrictions relating to private business uses or loans, the LGA agrees to immediately write the OWDA requesting assistance prior to entering into any agreement which may be prohibited as provided herein.

(iii) The LGA shall not re-loan, directly or indirectly, any portion of the amounts advanced to it under this Agreement to any person;

(d) That, to assure that the OWDA Bonds will not be or become "arbitrage bonds" within the meaning of 26 U.S.C.A. Section 148 of the Internal Revenue Code of 1986, as amended, the LGA, except upon the prior written consent of the OWDA, shall not create or permit to exist any fund pledged to, or expressly reserved exclusively for, the payment of amounts payable by the LGA hereunder.

Section 7.2. The OWDA shall not be required to, and shall not, consent to any action by the LGA referred to in Section 7.1 unless it first shall have received an opinion of nationally recognized bond counsel to the effect that the consummation of the transaction or

transactions contemplated by such action will not adversely affect the tax-exempt status of the OWDA bonds.

Section 7.3. If the LGA shall have any question about the application of Section 7.1., in the particular circumstances faced by it at any time during the term of this Agreement, it shall immediately inform the OWDA of the circumstances and request the OWDA's assistance to resolve any such questions, to the end that the tax-exempt status of the OWDA Bonds and of the OWDA's bonds would be preserved.

ARTICLE VIII - MISCELLANEOUS PROVISIONS

Section 8.1. Any invoice, accounting, demand, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by regular, registered or certified mail, postage prepaid, or delivered personally, and

(i) in the case of the OWDA, is addressed to or delivered personally to the OWDA at:

The Ohio Water Development Authority
480 South High Street
Columbus, OH 43215

and

(ii) in the case of the LGA, is addressed to or delivered personally to the LGA at the address listed on the Term Sheet as the "LGA Notice Address," or at such other addresses with respect to either such party as that party may from time to time, designate in writing and forward to the other as provided in this Section.

Section 8.2. Any approval of the OWDA required by this Agreement shall not be unreasonably withheld and shall be deemed to have been given on the thirtieth day following the submission of the matter requiring approval to the Executive Director of the OWDA unless disapproved in writing prior to such thirtieth day. Any provision of the Agreement requiring the approval of the OWDA or the satisfaction or evidence of satisfaction of the OWDA, shall be interpreted as requiring action by the Executive Director of the OWDA granting, authorizing or expressing such approval or satisfaction, as the case may be, unless such provision expressly provides otherwise.

Section 8.3. Upon request of the OWDA, the LGA agrees to execute the information report required by Section 149 of the Internal Revenue Code of 1986, as it may be amended from time to time, with respect to this Agreement, such form to be completed by the OWDA on the basis of information provided by the LGA. The LGA hereby agrees that the OWDA may file such information report for and on behalf of the LGA with the Internal Revenue Service.

Section 8.4. This Agreement is made subject to, and conditional upon, the approval of this Agreement as to form by the General Counsel of the OWDA and upon the certification of availability of funds as provided in Section 3.8 hereof.

Section 8.5. This Agreement shall become effective as of the date first set forth hereinabove and shall continue in full force and effect until all obligations of the LGA under Section 4.1 hereof have been fully satisfied.

Section 8.6. This Agreement shall be binding upon and inure to the benefit of the parties hereto and to any person, office, board, department, agency, municipal corporation, or body politic and corporate succeeding by operation of law to the powers and duties of either of the parties hereto. This Agreement shall not be assigned by the LGA without the prior written consent of the OWDA. The OWDA, at its option, may assign this Agreement without the consent of the LGA. All references to the Environmental Protection Agency of the United States of America or to the Director of Environmental Protection of the State of Ohio or to any offices or divisions of either shall include any successors thereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the day and year first hereinabove written.

APPROVED AS TO FORM

OWDA General Counsel

OHIO WATER DEVELOPMENT
AUTHORITY

By: _____
OWDA Executive Director

APPROVED AS TO FORM

LGA Legal Officer or Counsel
Neal M. Jamison, Law Director

LGA: CITY OF STRONGSVILLE

By: _____
Thomas P. Perciak, Mayor

By: _____

TERM SHEET

NOTE: The term sheet will be generated by OWDA after the loan is approved at the board meeting.

PROJECT FACILITIES DESCRIPTION

The rehabilitation of Wastewater Treatment Plant B, located at 14600 Mill Hollow Lane, Strongsville, Ohio; and Wastewater Treatment Plant C, located at 8626 Pearl Road, Strongsville, Ohio.

Exhibit B

CONSTRUCTION CONTRACT(S)

CITY OF STRONGSVILLE, OHIO

ORDINANCE NO. 2024 – 112

By: Mayor Perciak and All Members of Council

AN ORDINANCE REQUESTING PARTICIPATION IN OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES CONTRACTS FOR THE PURCHASE OF A UTILITY BUCKET LIFT TRUCK CONSISTING OF A FREIGHTLINER M2 CAB AND CHASSIS UNIT WITH A 60-FOOT AERIAL TREE UNIT TOWER, AND ACCESSORIES, FOR USE BY THE SERVICE DEPARTMENT OF THE CITY; AUTHORIZING THE MAYOR AND THE DIRECTOR OF FINANCE TO DO ALL THINGS NECESSARY TO ENTER INTO AN AGREEMENT IN CONNECTION THEREWITH; AND DECLARING AN EMERGENCY.

WHEREAS, Ohio Revised Code Section 5513.01(B) provides the opportunity for counties, townships and municipal corporations to participate in contracts of the Ohio Department of Administrative Services for the purchase of vehicles, machinery, materials, supplies or other articles; and

WHEREAS, this Council wishes to take advantage of that opportunity in connection with the purchase of a utility bucket lift truck, consisting of a Freightliner M2 Cab and Chassis Unit, together with a 60-foot Aerial Tree Unit Tower and accessories (Schedule No. 800819, Index No. STS515) for use by the Service Department of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

Section 1. That the Mayor be and is hereby authorized and directed to request authority in the name of the City of Strongsville to participate in the Ohio Department of Administrative Services contract with **UTILITY TRUCK EQUIPMENT, INC.**, for the purchase of a utility bucket lift truck, consisting of a Freightliner M2 Cab and Chassis Unit, together with a 60-foot Aerial Tree Unit Tower and accessories, which the Department has entered into pursuant to Revised Code Section 5513.01(B), in an amount not to exceed \$248,516.00 and as reflected on Exhibit A, attached hereto.

Section 2. That the City of Strongsville hereby agrees to be bound by the terms and conditions prescribed by the Director of Administrative Services for such purchases and to directly pay the vendor, under each such contract of the Ohio Department of Administrative Services in which the City participates for items it receives pursuant to the contract.

Section 3. That the Mayor and Director of Finance be and are hereby authorized to enter into and execute such agreements and documents as may be necessary to participate in the Ohio Department of Administrative Services Office of Procurement Services Program.

Section 4. That the funds for the purposes of such purchases have been appropriated and shall be paid from the General Capital Improvement Fund.

CITY OF STRONGSVILLE, OHIO
ORDINANCE NO. 2024 – 112
Page 2

Section 5. That it is found and determined that all formal actions of this Council concerning and relating to the adoption 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.

Section 6. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare, and for the further reason that it is immediately necessary to participate in the purchase of such vehicle and accessories in order to maintain continuity in the operation of the Service Department of the City, and conserve public funds. Therefore, provided this Ordinance receives the affirmative vote of two-thirds of all members elected to Council it shall take effect and be in force immediately upon its passage and approval by the Mayor, otherwise from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

Ord. No. 2024-112 Amended: _____
1st Rdg. _____ Ref: _____
2nd Rdg. _____ Ref: _____
3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
Adopted: _____ Defeated: _____



UTILITY TRUCK EQUIPMENT, INC.
23893 U.S. 23 SOUTH
P.O. BOX 130
CIRCLEVILLE OH 43113

Telephone 740-474-5151

Fax 740-474-4402



60' AERIAL TREE UNIT

AERIAL TOWER AND ACCESSORIES

Versalift model VO-260-I reverse mounted, insulated aerial tower with a maximum working height of 65', and a maximum horizontal side reach of 44'. Includes the following features and accessories:

- Standard platform capacity of 350 lbs.
- Single handle upper control with safety trigger and emergency stop valve.
- Full pressure turret mounted controls with upper control override.
- Engine stop/start at platform and lower controls.
- Lighted 12-volt switch panel on dash.
- 360-degree continuous rotation.
- 7 GPM open center hydraulic system with 2900 PSI operating pressure.
- 25-gallon integral hydraulic oil reservoir with dual sight gauges.
- Fiberglass upper boom with ANSI category "C" 46KV insulation rating.
- Lower boom fiberglass insert with 24" insulation gap.
- White gelcoat finish on fiberglass upper boom and lower boom insert.
- Appropriate height pedestal with fixed feet A-frame outriggers and controls.
- Outrigger / boom interlock system.
- Outrigger motion alarm.



- Two (2) sets of hyd. outlets at platform with disconnects.
- Upper tool circuit flow control valve.
- 24" x 24" x 42" one-man enclosed fiberglass platform with inside/outside step.
- Mechanical tilt platform for cleanout and rescue.
- 24" x 24" platform liner and vinyl platform cover.
- Safety harness and lanyard.
- Boom stow cradle and ratchet type tie down strap.
- Electric shift PTO, pump, hydraulic oil, hose, and fittings.
- Time Manufacturing standard white urethane finish.
- Two (2) sets of operators and service manuals.
- Inclinometer each side at outrigger control.
- ANSI A92.2 data plate.

DUMP CHIP BODY AND ACCESSORIES

- 132" x 60" x 96" galvanized steel chip body with standard equipment.
- R.H. combination ladder and pole saw storage box.
- Swing to side tailgate assembly.
- LED recessed lighting package with standard back up lights.
- Hydraulic chip body hoist with control.
- 4-door wrap around tool compartment with interior hooks and shelving, and storage for long tools.
- Two (2) rubber wheel chocks with holder each side under body.
- Two (2) outrigger pad holders with 18" x 18" composite outrigger pads.
- Standard cab guard assembly.
- Access ladder assembly for access to top of cab guard and platform.
- T-60 pintle hook at rear with frame reinforcements and safety chain eyes.
- 6 and 7 pin trailer receptacles.
- Six (6) point amber led strobe package, two (2) on front of cab guard, and two (2) each front and rear in upper corners of chip body.
- Electric trailer brake controller.
- Back up alarm at rear under chip body.
- Fire extinguisher, first aid kit, and triangle reflector kit.
- Mud flaps installed behind rear wheels.
- Complete installation of aerial tower, dump chip body, hoist, and all accessories, including mounting hardware, PTO, and hydraulic pump.
- Finish paint chip body, tool compartment, and cab guard white to match chassis cab.
- Black non-skid finish on deck section.

STANDARD UNIT PRICE..... \$145,533.00.

CONTRACT DISCOUNT(\$11,643.00).

TOTAL F.O.B. DESTINATION..... \$133,890.00.



JULY 2024

STANDARD UNIT OPTIONS

OPTION #

PRICE EACH

1)	VO-270E aerial tower in lieu of VO-260-I (chip body only – requires 138" CA chassis cab. This charge would apply as an add-on amount to options 7, 8, and 9 as well).	\$29,508.00
2)	<p>VO-255 rear mount aerial tower package with booms stowed to front over cab. Includes the following features in lieu of dump chip body package:</p> <ul style="list-style-type: none"> • Single handle control between boom and platform. • Low stow upper boom for access from flatbed floor. • 4 outriggers and subframe, outrigger controls at rear. • 44" saddle pack with 12' heavy duty flatbed. • Saddle pack with transverse, shelves, and hooks. • Treadplate floor on flatbed. • Curbside E-Z step with grab rail for access to top of flatbed. • Two (2) rubber wheel chocks with holder each side under body. • Arbortech cab guard assembly. • T-60 pintle hook assembly with safety chain eyes. • Four (4) light strobe system. • LED recessed lighting package with standard back up lights. • Electric back up alarm. • Rear trailer receptacle. • Fire extinguisher, first aid kit, and triangle reflector kit. • Mud flaps installed ahead of and behind rear wheels. • Black non-skid paint applied to flatbed floor. 	\$13,782.00
3)	36" x 18" x 18" aluminum underbody box (with item #2 only).	\$1,471.00
4)	72" aluminum top box with (2) drop down doors (item #2 only).	\$2,258.00
5)	24" x 30" platform, liner, and cover.	\$1,949.00
6)	Ziebart rustproof chassis cab and body understructure.	\$1,734.00
7)	Stock RTG package F750 33K GVWR diesel automatic with standard VO260 chip body package. TOTAL UNIT PRICE	\$225,822.00
8)	Stock RTG package Freightliner 33K GVWR diesel automatic with standard VO260 chip body package. TOTAL UNIT PRICE	\$232,890.00
9)	Stock RTG package MV607 IH 33K GVWR diesel automatic with standard VO260 chip body package. TOTAL UNIT PRICE	\$234,306.00
10)	Deduct from stock base package for under CDL, 25,999 GVWR.	(\$11,310.00)



**UTILITY TRUCK EQUIPMENT, INC.
23893 U.S. 23 SOUTH
P.O. BOX 130
CIRCLEVILLE OH 43113**

Telephone 740-474-5151

Fax 740-474-4402



FREIGHTLINER M2 CAB AND CHASSIS #1

- 2025 M2 106 conventional chassis cab.
- 33,000# GVWR
- 84" Clear C.A.
- Two (2) front tow hooks.
- 120,000 PSI high strength steel frame.
- Heavy duty painted steel front bumper.
- Cummins B 6.7 diesel engine, 250 H.P.
- Current OBD diagnostics.
- Allison 3500-RDS-P 5-speed automatic transmission with PTO gear.
- Recommended Transmission shift schedules and speeds.
- Transmission oil cooler and temperature gauge.
- 21,000# single speed rear axle for up to 75 mph.
- Driver controlled traction rear differential.
- 23,000# rear springs with rubber helper.
- 12,000# front axle and tapered leaf springs with front shock absorbers.
- Anti-lock air brake system with dash mounted parking brake.
- Automatic front and rear slack adjusters.
- Manual air tank drain valve.
- Front and rear brake dust shields.
- Wabco heated air dryer located under hood.
- 18.7 CFM air compressor.
- Power steering with tilt type steering wheel.
- RH exhaust behind steps under passenger side of cab.
- Current EPA emission certification.



- Cummins exhaust brake.
- Cigar lighter.
- Dual electric horns.
- 200-amp alternator.
- Dual maintenance free batteries L.H. side under cab.
- Remote jump start posts on frame near starter.
- AM/FM stereo radio with weather band and mirror mounted antenna.
- Electronic engine integral shut down protection system.
- Smartplex hub module with overhead switch mounting.
- Center overhead console with eight (8) lighted on/off switches.
- Dash mounted PTO switch with neutral / parking brake interlock.
- Body builder wiring.
- Electric trailer brake/lighting accommodation package.
- Integral headlights with daytime running lights.
- Solid state circuit protection and fuses.
- Chrome front grille.
- Engine block heater.
- Heavy duty radiator.
- Horton fan clutch.
- Electronic hand throttle.
- Fuel / water separator with heater.
- 50-gallon L.H. short aluminum step fuel tank.
- 6-gallon L.H. DEF tank aft of fuel tank.
- Conventional cab with standard interior trim.
- Air suspension cloth driver seat with two-man cloth passenger seat.
- High visibility orange seat belts.
- Standard gauge cluster with tachometer.
- Pre-trip lamp inspection with smart switch.
- Engine hour meter.
- Factory air conditioning.
- West coast mirrors.
- Interior grab handles.
- 22.5 x 8.25 10-hole hub piloted steel disc wheels, painted white.
- 11R22.5G Michelin radial tires, traction type rear.
- Freightliner standard white.

STANDARD UNIT PRICE..... \$116,851.00.

CONTRACT DISCOUNT (\$9348.00).

TOTAL FOR FREIGHTLINER CHASSIS.....\$107,503.00.



STANDARD OPTIONS

1)	110" C.A. or 120" C.A. dimension as required by aerial package.	\$918.00
2)	Extended cab chassis in lieu of regular cab.	\$10,814.00
3)	4-door crew cab chassis in lieu of regular cab.	\$16,644.00
4)	Air ride passenger seat in lieu of 2-man bench.	\$106.00
5)	6-speed manual transmission in lieu of automatic.	(\$4,806.00)
6)	Power door locks, power windows, heated mirrors.	\$1,399.00
7)	Air trailer brake controls.	\$1,344.00
8)	Vertical exhaust.	\$1,258.00
9)	Bluetooth radio.	\$389.00
10)	Bluetooth radio / CD /Sirius.	\$770.00
11)	Chrome front bumper.	\$460.00
12)	325 HP B6.7 Cummins engine.	\$3,462.00
13)	350 HP L9 Cummins engine.	\$6,756.00
14)	Aluminum wheels.	\$1,380.00

TOTAL FOR COMPLETE PACKAGE
F.O.B. STRONGSVILLE, OHIO.....\$248,516.00

NOTES

- Delivery: Approximately 60-90 days after receipt of order.
- Terms: 1% - 20 days or Net 30 days.

We appreciate the opportunity to assist with your equipment requirements. If you have any questions or require additional information, please contact us at your earliest convenience.

Thank you for your consideration.

Sincerely,
Utility Truck Equipment, Inc.

Jake Hill

Jake Hill

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 113

By: Mayor Perciak and All Members of Council

A RESOLUTION GRANTING PERMISSION TO REPURCHASE CERTAIN CERTIFICATES FOR BURIAL RIGHTS IN THE STRONGSVILLE MUNICIPAL CEMETERY. [Halkiadakis]

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA, AND STATE OF OHIO:

Section 1. That pursuant to Codified Ordinance Section 1060.09, this Council hereby authorizes the repurchase by the City of Strongsville of a certificate for burial rights in the Strongsville Municipal Cemetery for Grave H, in Lot 108 of Section F from Jennifer Halkiadakis now known as Jennifer Kula, at the same price that was originally paid therefor.

Section 2. That the funds for the repurchase of said certificate have been appropriated and shall be paid from the General Fund.

Section 3. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council; and that all deliberations of the 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.

Section 4. That this Resolution shall take effect and be in force from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

RES
Ord. No. 2024-113 Amended: _____
1st Rdg. _____ Ref: _____
2nd Rdg. _____ Ref: _____
3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
Adopted: _____ Defeated: _____

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 114

By: Mayor Perciak and All Members of Council

A RESOLUTION CONSENTING TO THE TERMS OF THE KROGER SETTLEMENT IN CONNECTION WITH THE OPIOID EPIDEMIC LITIGATION, PURSUANT TO THE ONE OHIO MEMORANDUM OF UNDERSTANDING; AUTHORIZING THE MAYOR TO EXECUTE A SUBDIVISION PARTICIPATION AND RELEASE FORM FOR THE KROGER SETTLEMENT, AND DECLARING AN EMERGENCY.

WHEREAS, by and through Resolution No. 2018-139, Council declared the opioid epidemic and its resulting effects to be a public nuisance in the City of Strongsville, Ohio; and

WHEREAS, the State of Ohio, through its Attorney General, and certain Local Governments, including the City of Strongsville, through their elected representatives and counsel, are separately engaged in litigation seeking to hold Opioid Pharmaceutical Supply Chain Participants accountable for the damage caused by their misfeasance, nonfeasance and malfeasance in connection with the opioid crisis; and

WHEREAS, by and through Resolution No. 2020-039, Council authorized the Mayor and Law Director to enter into a One Ohio Memorandum of Understanding ("MOU") on behalf of the City for the purpose of collaboratively seeking resolution of the opioid litigation in the State of Ohio; and

WHEREAS, this Council understands that an additional purpose of the MOU is to create an effective means of distributing any potential settlement funds obtained under the MOU between the State of Ohio and Local Governments in a manner and means that would promote an effective and meaningful use of the funds in abating the opioid epidemic throughout Ohio, as well as to permit collaboration and explore potentially earlier resolution of the Opioid Litigation against various companies; and

WHEREAS, the MOU was collaboratively drafted to maintain all individual claims while allowing the State and Local Governments to cooperate in exploring all possible means of resolution; and

WHEREAS, nothing in the MOU binds any party to a specific outcome, but rather, any resolutions under the MOU require acceptance by the State of Ohio and the Local Governments; and

WHEREAS, by and through Resolution Nos. 2021-108 and 2021-161, Council consented to the City's participation in previous settlements in connection with the opioid epidemic litigation pursuant to the One Ohio MOU; and

WHEREAS, in addition, a settlement is now being presented to the State of Ohio and Local Governments by The Kroger Co. (the "Kroger Settlement") to resolve governmental entity claims in the State of Ohio using the structure of the aforementioned One Ohio MOU and consistent with the material terms of a March 22, 2024 Settlement Agreement with Kroger; and

CITY OF STRONGSVILLE, OHIO

RESOLUTION NO. 2024 – 114

Page 2

WHEREAS, this Council wishes to agree to the terms of the Kroger Settlement pertaining to Participating Subdivisions, in order that the City will be entitled to the benefits provided therein, including monetary payments.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA, AND STATE OF OHIO:

Section 1. That this Council hereby consents to the terms of the Kroger Settlement pertaining to Participating Subdivisions on behalf of the City of Strongsville, and pursuant to the terms of the One Ohio MOU.

Section 2. That this Council hereby authorizes the Mayor to execute the Kroger Settlement Subdivision Participation and Release Form on behalf of the City of Strongsville, which is attached hereto as Exhibit A and incorporated herein, pursuant to the terms of the One Ohio MOU.

Section 3. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council; and that all deliberations of the 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.

Section 4. That this Resolution is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health, safety and welfare of the City, and for the further reason that it is immediately necessary to consent to the City's participation in the proposed Kroger Settlement, in order to protect the City's interests to ensure prompt pursuit of funds to assist in abating the opioid epidemic throughout Ohio. Therefore, provided this Resolution receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise from and after the earliest period allowed by law.

President of Council

Approved: _____
Mayor

Date Passed: _____

Date Approved: _____

	<u>Yea</u>	<u>Nay</u>
Carbone	_____	_____
Clark	_____	_____
Kaminski	_____	_____
Kosek	_____	_____
Roff	_____	_____
Short	_____	_____
Spring	_____	_____

Attest: _____
Clerk of Council

RES
Ord. No. 2024-114 Amended: _____
1st Rdg. _____ Ref: _____
2nd Rdg. _____ Ref: _____
3rd Rdg. _____ Ref: _____

Public Hrg. _____ Ref: _____
Adopted: _____ Defeated: _____

Subdivision Participation and Release Form

Governmental Entity: Strongsville city	State: OH
Authorized Signatory: Thomas P. Perciak, Mayor	
Address 1: 16099 Foltz Parkway	
Address 2:	
City, State, Zip: Strongsville, OH 44149	
Phone: 440-580-3100	
Email: strongsville.law@strongsville.org	

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated March 22, 2024 (“*Kroger Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Kroger Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Kroger Settlement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Governmental Entity elects to participate in the Kroger Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice substantially in the form found at <https://nationalopiodsettlement.com/>.
3. The Governmental Entity agrees to the terms of the Kroger Settlement pertaining to Participating Subdivisions as defined therein.
4. By agreeing to the terms of the Kroger Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Kroger Settlement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as provided in, and for resolving disputes to the extent provided in, the Kroger Settlement. The Governmental Entity likewise agrees to arbitrate before the National



Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the Kroger Settlement.

7. The Governmental Entity has the right to enforce the Kroger Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Kroger Settlement, including without limitation all provisions of Section XI (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Kroger Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Kroger Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Kroger Settlement.
10. In connection with the releases provided for in the Kroger Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

General Release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Kroger Settlement.



11. Nothing herein is intended to modify in any way the terms of the Kroger Settlement, to which Governmental Entity hereby agrees. To the extent this Participation and Release Form is interpreted differently from the Kroger Settlement in any respect, the Kroger Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Governmental Entity.

Signature: _____

Name: Thomas P. Perciak

Title: Mayor, City of Strongsville

Date: _____

