

Village of Mantua, Ohio
RESOLUTION 2014-49

A RESOLUTION AUTHORIZING THE MAYOR TO PREPARE AND SUBMIT AN APPLICATION TO PARTICIPATE IN THE OHIO PUBLIC WORKS COMMISSION STATE CAPITAL IMPROVEMENT PROGRAM AND TO EXECUTE CONTRACTS AS REQUIRED, AND DECLARING AN EMERGENCY.

WHEREAS, the State Capital Improvement Program provides financial assistance to political subdivisions for capital improvements to public infrastructure, and

WHEREAS, the Village of Mantua is planning to make capital improvements relating to Water and Wastewater Systems Equipment and Systems Replacement, and

WHEREAS, the infrastructure improvement herein above described is considered to be a priority need for the community and is a qualified project under the OPWC program.

NOW THEREFORE, BE IT RESOLVED by the Council of the Village of Mantua, two thirds or more of the members elected thereto concurring, that:

SECTION 1: The Mayor is hereby authorized to apply to the OPWC for funds as described above.

SECTION 2: The Mayor is further authorized to enter into any agreements as may be necessary and appropriate for obtaining this financial assistance.

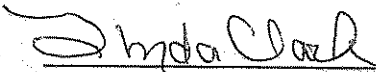
SECTION 3: The Clerk-Treasurer is hereby authorized and directed to execute a Certification of Local Funds in the amount of \$10,001.00 in order to pay the required local share of the Water and Wastewater Systems Equipment and Systems Replacement.

SECTION 4: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its Committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 5: This Resolution is hereby declared an emergency measure, in order to permit the preparation and completion of application materials in advance of the November 1st 2014 application deadline, and shall become immediately effective upon its proper passage by two thirds or more of the members elected to this Council.

PASSED AS EMERGENCY, this 21st day of October, 2014.

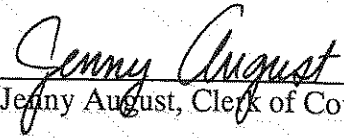
Attest:


Linda Clark, Mayor


Jenny August, Clerk of Council

Village of Mantua, Ohio
RESOLUTION 2014-49

I, Jenny August, Clerk of the Village of Mantua, Ohio, hereby certify that this Resolution was duly published by public posting at pre-designated posting places in the Village of Mantua on the 23 day of October, 2014.


Jenny August, Clerk of Council

Approved as to legal form:


Michele Stuck, Solicitor



The Ohio Public Works Commission
65 East State Street, Suite 312, Columbus, Ohio 43215-4213

Commission Chair Michael Keenan *Director* Michael Miller
Commissioners Patrick Ginnetti G. Courtney Haning Thomas Hitchcock
Tom Waniewski William Woodard

To: Jenny August
Village Hall
4650 West High Street
Mantua, OH 44255

June 26, 2017

From: Abbey DeHart, Loan Officer

Re: Loan CG33S Initialization - Repayment and Amortization Schedule

Enclosed you will find an Amortization Schedule for your loan on Project CG33S that was recently closed out with the Ohio Public Works Commission. This schedule was prepared using the final OPWC Disbursement amount as reported on the Appendix E for the project.

Important things to note about this loan:

OPWC Loans are paid semiannually with due dates on July 1st and the last business day of January each year. Loan postcards, directing you where to download loan invoicing information, will be mailed out to loan recipients on May 15th and November 15th each year. You are to download and print your 4 page loan invoice and remittance sheet (two pages front and back) off the web and remit payment as noted below

- Return payment with remittance copy of invoice from the OPWC.
- You may payoff the outstanding principal amount of this loan at any time without penalty.
- Pay with a check. *OPWC does not accept wire transfers or lock box payments.*
- Make checks payable to: **Ohio Treasurer Josh Mandel**
- Send payment to: **Ohio Public Works Commission
65 E. State St. Suite 312
Columbus, OH 43215**

Please email abbey.dehart@pwc.state.oh.us with any changes to CFO information listed above.

Late fees will be assessed for payments 60 days overdue. Late Fee is 8% per annum.

Loan documentation including agreement, amortization schedules, repayment confirmations, current information and previous year end balance are available on OPWC's website: www.pwc.state.oh.us.

If you have any questions regarding your loan or payments, I can be reached at (614) 728-2466. All other questions should be directed to the OPWC Program Representative for your district.



State of Ohio
Public Works Commission
Loan Amortization Schedule
Mantua Village

Loan Nbr: **CG33S** Wtp and WWTP Plant Systems Upgrade

Loan Amount: 27,913.95 Interest Rate (percent): 0.0
Loan Term (years): 15.0
Schedule CG33S-0-00

Year	Month - Per	Per Start	Principal	Interest	Payment	Balance	Month - Per	Per Start	Principal	Interest	Payment	Balance
2017							Loan Initialization					
2018	Jan	1	27,913.95	930.47	0.00	930.47	Jul	2	26,983.48	930.47	0.00	930.47
2019	Jan	3	26,053.01	930.47	0.00	930.47	Jul	4	25,122.54	930.47	0.00	930.47
2020	Jan	5	24,192.07	930.47	0.00	930.47	Jul	6	23,261.60	930.47	0.00	930.47
2021	Jan	7	22,331.13	930.47	0.00	930.47	Jul	8	21,400.66	930.47	0.00	930.47
2022	Jan	9	20,470.19	930.47	0.00	930.47	Jul	10	19,539.72	930.47	0.00	930.47
2023	Jan	11	18,609.25	930.47	0.00	930.47	Jul	12	17,678.78	930.47	0.00	930.47
2024	Jan	13	16,748.31	930.47	0.00	930.47	Jul	14	15,817.84	930.47	0.00	930.47
2025	Jan	15	14,887.37	930.47	0.00	930.47	Jul	16	13,956.90	930.47	0.00	930.47
2026	Jan	17	13,026.43	930.47	0.00	930.47	Jul	18	12,095.96	930.47	0.00	930.47
2027	Jan	19	11,165.49	930.47	0.00	930.47	Jul	20	10,235.02	930.47	0.00	930.47
2028	Jan	21	9,304.55	930.47	0.00	930.47	Jul	22	8,374.08	930.47	0.00	930.47
2029	Jan	23	7,443.61	930.47	0.00	930.47	Jul	24	6,513.14	930.47	0.00	930.47
2030	Jan	25	5,582.67	930.47	0.00	930.47	Jul	26	4,652.20	930.47	0.00	930.47
2031	Jan	27	3,721.73	930.47	0.00	930.47	Jul	28	2,791.26	930.47	0.00	930.47
2032	Jan	29	1,860.79	930.47	0.00	930.47	Jul	30	930.32	930.32	0.00	930.32



VILLAGE OF MANTUA
Office of the Clerk-Treasurer
4650 West High Street
P.O. Box 775
Mantua, Ohio 44255-0775
Phone 330.274.8776 ext. 151 Fax 330.274.2884

**CHIEF FINANCIAL OFFICER'S CERTIFICATION OF LOCAL FUNDS
LOAN REPAYMENT LETTER**

I, Jenny August, Clerk-Treasurer of the Village of Mantua, hereby certify that the Village of Mantua has the amount of \$7,217 in the Water Capital Improvement Fund 5761 and the amount of \$2,784 in the Sewer Capital Improvement Fund 5762, and that this amount will be used to pay the \$10,001 local share for the OPWC grant project "Water and Wastewater Systems Equipment and Systems Replacement" when it is required.

Additionally, the Village of Mantua collects \$11,000 per year in the Water Capital Improvement Fund 5761, and collects \$11,000 per year in the Sewer Capital Improvement Fund 5762 which will be used to pay our monthly loan payment amount.



Jenny August, Clerk-Treasurer of Mantua Village

OPWC Loan CG33S- WTP and WWTP Upgrades					
	TOTAL AMOUNT FINANCED:				\$ 27,913.95
					Zero Interest
	Payment Date	Water- 66%	Sewer- 34%	Total Payment	Principal Balance
	1/1/2018	\$ 614.11	\$ 316.36	\$ 930.47	\$ 26,983.48
	7/1/2018	\$ 614.11	\$ 316.36	\$ 930.47	\$ 26,053.01
	1/1/2019	\$ 614.11	\$ 316.36	\$ 930.47	\$ 25,122.54
	7/1/2019	\$ 614.11	\$ 316.36	\$ 930.47	\$ 24,192.07
	1/1/2020	\$ 614.11	\$ 316.36	\$ 930.47	\$ 23,261.60
	7/1/2020	\$ 614.11	\$ 316.36	\$ 930.47	\$ 22,331.13
	1/1/2021	\$ 614.11	\$ 316.36	\$ 930.47	\$ 21,400.66
	7/1/2021	\$ 614.11	\$ 316.36	\$ 930.47	\$ 20,470.19
	1/1/2022	\$ 614.11	\$ 316.36	\$ 930.47	\$ 19,539.72
	7/1/2022	\$ 614.11	\$ 316.36	\$ 930.47	\$ 18,609.25
	1/1/2023	\$ 614.11	\$ 316.36	\$ 930.47	\$ 17,678.78
	7/1/2023	\$ 614.11	\$ 316.36	\$ 930.47	\$ 16,748.31
	1/1/2024	\$ 614.11	\$ 316.36	\$ 930.47	\$ 15,817.84
	7/1/2024	\$ 614.11	\$ 316.36	\$ 930.47	\$ 14,887.37
	1/1/2025	\$ 614.11	\$ 316.36	\$ 930.47	\$ 13,956.90
	7/1/2025	\$ 614.11	\$ 316.36	\$ 930.47	\$ 13,026.43
	1/1/2026	\$ 614.11	\$ 316.36	\$ 930.47	\$ 12,095.96
	7/1/2026	\$ 614.11	\$ 316.36	\$ 930.47	\$ 11,165.49
	1/1/2027	\$ 614.11	\$ 316.36	\$ 930.47	\$ 10,235.02
	7/1/2027	\$ 614.11	\$ 316.36	\$ 930.47	\$ 9,304.55
	1/1/2028	\$ 614.11	\$ 316.36	\$ 930.47	\$ 8,374.08
	7/1/2028	\$ 614.11	\$ 316.36	\$ 930.47	\$ 7,443.61
	1/1/2029	\$ 614.11	\$ 316.36	\$ 930.47	\$ 6,513.14
	7/1/2029	\$ 614.11	\$ 316.36	\$ 930.47	\$ 5,582.67
	1/1/2030	\$ 614.11	\$ 316.36	\$ 930.47	\$ 4,652.20
	7/1/2030	\$ 614.11	\$ 316.36	\$ 930.47	\$ 3,721.73
	1/1/2031	\$ 614.11	\$ 316.36	\$ 930.47	\$ 2,791.26
	7/1/2031	\$ 614.11	\$ 316.36	\$ 930.47	\$ 1,860.79
	1/1/2032	\$ 614.11	\$ 316.36	\$ 930.47	\$ 930.32
	7/1/2032	\$ 614.02	\$ 316.30	\$ 930.32	\$ (0.00)
TOTALS:		\$ 18,423.21	\$ 9,490.74	\$ 27,913.95	
		Interest	Principal	Total Payments	

OHIO PUBLIC WORKS COMMISSION

PROJECT GRANT / LOAN AGREEMENT

STATE CAPITAL IMPROVEMENT PROGRAM

Pursuant to Ohio Revised Code 164.05 and Ohio Administrative Code 164-1-21, this Project Grant/Loan Agreement (this "Agreement") is entered into **July 1, 2015** by and between the State of Ohio, acting by and through the Director of the Ohio Public Works Commission (hereinafter variously referred to as the "Director" or the "OPWC"), located at 65 East State Street, Suite 312, Columbus, Ohio 43215, and **Village of Mantua, Portage County** (hereinafter referred to as the "Recipient"), located at **4650 W. High Street, Mantua, OH 44255-** , in respect of the project named **WTP & WWTP System Upgrade**, and as described in Appendix A of this Agreement to provide an amount not to exceed **One Hundred Ninety-Nine Thousand, Nine Hundred Ninety-Nine Dollars (\$199,999)** 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 attached hereto.

Subdivision Code: **133-47180**

OPWC Project Grant Control No. **CG32S**

OPWC Project Loan Control No. **CG33S**

WHEREAS, to implement the policies set forth in Section 2m, Article VIII of the Ohio Constitution, and in Chapter 164 of the Revised Code, the General Assembly, pursuant to Section 164.02 of the Revised Code, created the Ohio Public Works Commission;

WHEREAS, pursuant to Section 164.05 of the Revised Code, the Director of the OPWC is empowered to (i) enter into agreements with Local Subdivisions to provide loans, grants, and local debt support and credit enhancements for Capital Improvement Projects (as hereinafter defined); and (ii) authorize payments to Local Subdivisions or their Contractors (as hereinafter defined) for costs incurred for Capital Improvement Projects which have been approved by the Director;

WHEREAS, Sections 164.05 and 164.06 of the Revised Code permit a grant of funds, or other forms of financial assistance, for such a Capital Improvement Project to be expended and provided only after the District 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;

WHEREAS, the Recipient desires to engage in the acquisition, construction, reconstruction, improvement, planning or equipping of the Capital Improvement Project (the "Project") described in Appendix A of this Agreement; and

WHEREAS, the Project has been duly recommended to the Director pursuant to Section 164.06 of the Revised Code by the District Public Works Integrating Committee of the Recipient;

NOW, THEREFORE, in consideration of the promises and covenants herein contained, the undersigned agree as follows:

SECTION 1. Definitions and General Provisions. The following words and terms as hereinafter used in this Agreement shall have the following meanings unless otherwise herein provided and unless the context or use clearly indicates an other or different meaning or intent.

"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" or "Capital Improvement Project" means the acquisition, construction, reconstruction, improvement, planning and equipping of roads and bridges, wastewater treatment facilities, water supply systems, solid waste disposal facilities, and storm water and sanitary collection, storage and treatment facilities of Local Subdivisions, including real property, interests in real property, and facilities and equipment of Local Subdivisions related or incidental thereto.

"Chief Executive Officer" means the single office or official of the Recipient designated in Appendix B pursuant to Section 6 hereof, or his authorized designee as per written notification to the Director.

"Chief Fiscal Officer" means the single office or official of the Recipient designated in Appendix B pursuant to Section 6 hereof, or his authorized designee as per written notification to the Director.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein 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 (i) the manufacturer of all or a portion of the Project, or (ii) the provider of labor, materials or services in connection with the construction, reconstruction, expansion, improvement or engineering of the Project, or both.

"Cost of Capital Improvement Projects" means the costs of acquiring, constructing, reconstructing, expanding, improving and engineering Capital Improvement Projects and, as applicable, related financing costs.

"District Committees" means the District Public Works Integrating Committees and the Executive Committees created pursuant

to Section 164.04 of the Revised Code, and District Subcommittees created pursuant to Section 164.06 of the Revised Code.

"Governing Body" means the board of county commissioners or a county council if a county; the legislative authority if 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 any county, municipal corporation, township, sanitary district or regional water and sewer district of the State.

"Participation Percentages" 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 of the percentages are identified in Appendix D. In the event that the total actual project costs exceed the estimated project costs identified in Appendix D, 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 general public.

"Private Person" means any person, firm, entity or individual who or which is other than a "governmental unit" as that term is used in Sections 141 and 148 of the Code.

"Project Manager" means the principal employee or agent of the Recipient having administrative authority over the Project designated in Appendix B pursuant to Section 6 hereof, or authorized designee as per written notification to the Director.

"Reimbursing" means the use of funds granted to the Recipient pursuant to Section 164.14 of the Revised Code as reimbursement to the Recipient for funds expended on the Project by the Recipient, and which did not in any way inflate costs of the Capital Improvement Project.

"State" means the State of Ohio.

"Tax-Exempt Organization" means a "governmental unit," as such term is used in Sections 141 and 148 of the Code.

Any reference herein to public boards, commissions, departments, institutions, agencies, bodies or entities shall include those succeeding to their functions, duties or responsibilities by operation of law or who are lawfully performing their functions. Any reference to a section or provision of the Constitution of the State, or to a section, provision or chapter of the Revised Code shall include such section, provision or chapter as from time to time may have been duly amended, modified, supplemented or superseded. Words of the masculine or feminine gender shall be deemed and construed to include correlative words of the feminine, masculine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa. The terms "hereof", "hereby", "herein", "hereto", "hereunder" and similar terms refer to this Agreement and term "hereunder" means after, and the term "heretofore" means before the effective date of this Agreement.

SECTION 2. Grant of Financial Assistance. Subject to the terms and conditions contained herein, the OPWC hereby grants to the Recipient financial assistance not to exceed the amount, as set forth in Appendix C of this Agreement for the sole and express purpose of paying or reimbursing the costs certified to the OPWC under this Agreement for the completion of the Project.

SECTION 3. Local Subdivision Contribution. The Recipient shall, at a minimum, contribute to the Project (the "Local Subdivision Contribution") the Local Subdivision Participation Percentage as set forth in Appendix D of this Agreement. The Local Subdivision Contribution to the Project shall be for the sole and express purpose of paying or reimbursing the costs certified to the OPWC under this Agreement for the completion of the Project as defined and described in Appendix A of this Agreement.

SECTION 4. Notice to Proceed. Work shall not commence on this Project until the Director has issued a written Notice to Proceed to the Recipient. Such Notice will not be issued until the Director is assured that the Recipient has complied with the Recipient's

responsibilities concerning OEPA plan approval, when applicable. A Notice to Proceed shall be required for all project prime contractors or direct procurement initiated by the Recipient following execution of this Agreement.

SECTION 5. Project Schedule. Construction must begin within 30 days of the date set forth in Appendix A, Page 2, for the start of construction, or this Agreement may become null and void, at the sole discretion of the Director. However, the Recipient may apply to the Director in writing for an extension of the date to initiate construction. The Recipient shall specify the reasons for the delay in the start of construction and provide the Director with a new start of construction date. The Director will review such requests for extensions and may extend the start date, providing that the Project can be completed within a reasonable time frame.

SECTION 6. Disbursements. All payments made by the OPWC shall be made directly to the Contractor that performed the work and originated the invoice, unless the OPWC expressly authorizes the Recipient to use the reimbursement method specified in Paragraph (A)(4)(b) of Rule 164-1-22 of the Administrative Code.

(a) **Project Administration Designation.** Pursuant to Paragraph (B) of Rule 164-1-21 of the Administrative Code, the Recipient shall designate its Chief Executive Officer, Chief Fiscal Officer and Project Manager in Appendix B of this Agreement. Changes in these designations must be made in writing.

(b) **Disbursements to Contractors to Pay Costs of the Project.** The Recipient shall require that as work on the Project and as specified in its contract is performed a Contractor shall promptly submit a detailed project specific invoice to the Project Manager. Within three (3) Business Days following receipt of such invoice from a Contractor, the Project Manager shall review the invoice and, if found to be accurate, shall so certify in writing, forwarding such certification together with a copy of the invoice to the Chief Fiscal Officer. Within five (5) Business Days following receipt of such invoice and certification from the Project Manager, the Chief Fiscal Officer shall conduct such reviews as he considers appropriate and, if he approves such invoice, shall submit to the Director a Disbursement Request together with the information and certifications required by this Section 6(b). The dollar amount set forth in the Disbursement Request shall be calculated based on the Participation Percentage as set forth originally in Appendix D of this Agreement or as may be adjusted from time to time to account for changed conditions in the project financing scheme. Within five (5) Business Days following receipt of the Disbursement Request and all required information and certifications, the Director shall, if such items are deemed by the Director to be accurate and completed, initiate a voucher in accordance with applicable State requirements for the payment of the amount set forth in the Disbursement Request. Upon receipt of a warrant from the Auditor of State drawn in connection with a voucher initiated in accordance with the terms of the preceding sentence, the Director shall forward it 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:

- (i) 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;
- (ii) If the request is for disbursement to the Recipient pursuant to Paragraph (A)(4)(b) of Rule 164-1-22 of the Administrative Code, a bill of sale, paid invoice 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;
- (iii) The Project Manager's certification pursuant to Section 6(b) of this Agreement;
- (iv) The Disbursement Request Form and Certification in the form set forth as Appendix E of this Agreement properly executed by the Chief Fiscal Officer and the Chief Executive Officer; and
- (v) Such other certificates, documents and other information as the Director may reasonably require.

If the Director finds that the documents are in compliance with the requirements of this Agreement, the Director is authorized and directed to cause the disbursement of moneys from the Fund for payment of the identified Project costs. A copy of all such documents submitted to the Director shall be retained by the Director.

The Recipient represents that the Project was initially constructed, installed or acquired by the Recipient no earlier than the

execution date of this Agreement.

(c) Limitations on Use. No part of the moneys delivered to the Recipient pursuant to Section 2 hereof is being or will be used to refinance, retire, redeem, or otherwise pay debt service on all or any part of 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 unless prior approval by the Director is given.

(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. In the event that 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 OPWC Director for the execution of an amendment to this Agreement.

(e) Project Cost Overruns. In the event that the Recipient determines that the moneys granted pursuant to Section 2 hereof, 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. 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 OPWC Director for the execution of an amendment to this Agreement.

SECTION 7. Retainage. Except as provided in the second sentence of this Section, Recipient shall comply in all aspects with the requirements of Sections 153.12, 153.13, 153.14 and 153.63 of the Revised Code, or other law applicable to it, including, but not limited to, the provisions thereof, to the extent applicable to the Recipient, which require the holding of certain amounts from payments to be made to Contractors and the deposit of such amounts into an escrow account established pursuant to Section 153.63 of the Revised Code. The Recipient may use its legally applicable construction requirements for the Project, including, but not limited to, its legally applicable requirements, if any, for the retaining of certain amounts from payments to be made to contractors in lieu of the requirements of Sections 153.12, 153.13, 153.14 and 153.63 of the Revised Code.

SECTION 8. Conditions to Financial Assistance and its Disbursement. The Grantor's obligations hereunder, including its obligation to make financial assistance available to the Recipient pursuant to the terms of this Agreement, are contingent upon compliance by the Recipient with the following conditions:

(a) Recipient's acquisition and commitment of the Local Subdivision Contribution necessary for the completion of the Project, its compliance with all other provisions of this Agreement, and its compliance with the provisions of Chapter 164 of the Revised Code and Chapter 164-1 of the Administrative Code. The Recipient shall set forth in Appendix D of this Agreement a description of the manner or mechanisms of providing its local share of Project funds pursuant to division (D) of Section 164.05 of the Revised Code and Rule 164-1-21 (B)(6) of the Administrative Code.

(b) Recipient shall execute any and all other documents and certificates as deemed necessary by the Director, subject to the opinion of counsel to the Director, as well as any required by changes in State or Federal Law, 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.

SECTION 9. Representations, Warranties and Covenants of Recipient. Recipient represents, warrants and covenants for the benefit of the Grantor as follows:

(a) 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) 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;

(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) Recipient has complied with all procedures, prerequisites and obligations for Project application and approval under Chapter 164 of the Revised Code and Chapter 164-1 of the Administrative Code;

(e) Recipient is not the subject of nor 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 Project.

(i) 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 (ii) or (iii) of this subsection shall not be regarded as a Private Business Use.

(ii) Management Contracts. The Recipient agrees that from the date hereof until the date on which none of the Infrastructure Bonds, of which the proceeds were used to pay or reimburse the costs of the Project, remain outstanding (the "Agreement Term"):

(1) The Recipient will not contract with any Private Person to manage the Project or any portion thereof unless all of the following conditions are met: (A) at least 50% of the compensation of the Private Person is based on a periodic, fixed fee that contains no incentive adjustments, and no amount of compensation is based on a share of net profits; (B) the compensation is reasonable in relation to the services performed; (C) the term of the contract does not exceed five (5) years (including any renewal option periods provided for in the contract); (D) if the term of the contract exceeds three (3) years, the Recipient is able to cancel the contract without penalty or cause at the end of each three-year period of the contract; (E) any automatic increases in the periodic, fixed fee may not exceed the percentage increases determined by an external standard set forth in the contract for computing increases; and (F) any new contract with a Private Person which is subject to this subparagraph (f)(ii) will be subject to the requirements of (A) through (F) of this subparagraph (f)(ii)(1); and

(2) If the Recipient is subject to subparagraph (f)(ii)(1) above and it enters into contracts with Private Persons described in subparagraph (f)(ii)(1), and the Governing Body of the recipient numbers five (5) or more members, no more than one (1) member of the Governing Body of the Recipient may be an employee or member of the Governing Body of the Private Person. If the Governing Body of the Recipient numbers less than five (5), no member of the Governing Body of the Recipient may be an employee or member of the Governing Body of the Private Person. Similarly, if the Governing Body of the Private Person numbers five (5) or more members, no more than one (1) of those members may be an employee or member of the Governing Body of the Recipient. However, in no event may a member or employee of both the Recipient and Private Person be the Chief Executive Officer or its equivalent of the Recipient or the Private Person. Members of the Governing Body of the Recipient may not own a controlling interest in the Private Person.

(iii) Contracts Concerning Use of Project. The Recipient agrees that during the Agreement Term it will not contract with any Private Person for use of the Project or any portion thereof or the facility or facilities of which the Project is a part for any Private Business Use unless all of the conditions of subparagraph (f)(iii)(1), subparagraph (f)(iii)(2) or subparagraph (f)(iii)(3) are met:

(1) If the compensation of the Private Person is based entirely on a periodic, fixed fee that contains no incentive adjustments, all of the following conditions must be met: (A) no amount of compensation is based on a share of the net profits; (B) the compensation is reasonable; (C) the term of the contract does not exceed five (5) years (including any renewal option periods provided for in the contract); (D) if the term of the contract exceeds three (3) years, the Recipient is able to cancel the contract without penalty or cause at the end of each three-year period of the contract term; (E) any automatic increases in the periodic, fixed fee may not exceed the percentage increases determined by an external standard set forth in the standard for computing increases; and (F) any new contract with the Private Person which is subject to subparagraph (f)(iii)(1) will be subject to the requirements of (A) through (F) of this subparagraph; or

(2) Where the compensation of the Private Person is based in whole or in part on a percentage of gross income or other measure, all of the following conditions must be met: (A) no amount of compensation is based on a share of the net profits; (B) the compensation is reasonable; (C) the term of the contract does not exceed two (2) years; (D) the Recipient is able to cancel the contract without penalty or cause by giving the Private Person 90 days notice; (E) any automatic increases in that portion of the compensation that is a periodic, fixed fee may not exceed the percentage increases determined by an external standard set forth in the standard for computing increases; and (F) any new contract with the Private Person which is subject to subparagraph (f)(iii)(2) will be subject to the requirements of (A) through (F) of this subparagraph; and

(3) If the Recipient is subject to the subparagraphs (f)(iii)(1) or (f)(iii)(2) and it enters into contracts with Private Persons described in those subparagraphs and the Governing Body of the Recipient numbers five (5) or more members, no more than one (1) member of the Governing Body of the Recipient may be the Private Person referred to in subparagraphs (f)(iii)(1) or (f)(iii)(2), a related person (as described in Section 144(a)(3) of the Code), an employee of such Private Person, or a member of the Governing Body of such Private Person, provided such member is not the Chief Executive Officer or its equivalent of the Recipient. If the Governing Body or the Recipient numbers less than five (5) members, no member may be such Private Person or an employee of such Private Person or a member of its Governing Body.

(iv) The Recipient may depart from any of its agreements contained in subparagraphs (f)(i) through (f)(iii) 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.

(g) Use of Proceeds. With respect to the Project to be financed or reimbursed by moneys granted pursuant to Section 2 hereof:

(i) The total cost of the Project shall not and will not include any cost which does not constitute "Costs of Capital Improvements," as defined in the Law;

(ii) All of the Project is owned, or will be owned, by the Recipient or another Tax-Exempt organization;

(iii) 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

(iv) The Recipient may depart from any of its agreement contained in subparagraph (iii) 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 Section 2 of this Agreement to fund the Project to completion;

(j) Ohio Preference. Recipient shall, to the extent practicable, use, and shall cause all of its Contractors and subcontractors to use Ohio products, materials, services and labor in connection with the Project;

(k) Equal Employment Opportunity. Recipient shall, and shall require that all contractors and subcontractors working on the Project, comply with the equal employment opportunity requirements contained in Section 164.07(A) of the Revised Code and rule 164-1-32 of the Administrative Code;

(l) Prevailing Wage. The Recipient shall comply and shall require that all Contractors and subcontractors working on the Project comply with the prevailing wage requirements contained in Revised Code Sections 164.07(B), 4115.03 through 4115.16; and

(m) Construction Bonds, Insurance and Supervision.

(i) The Recipient shall require that each of its Contractors furnish a performance and payment bond in an amount at least equal to 100 percent (100%) of its contract price as security for the faithful performance of its contract.

(ii) The Recipient shall require that each of its construction contractors and each subcontractor maintain during the life of its contract or subcontract appropriate Workers Compensation Insurance, Public Liability, Property Damage and Vehicle Liability Insurance.

(iii) 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 bearing the responsibility of ensuring that construction conforms with the approved surveys, plans, profiles, cross sections and specifications and certifying to the OPWC and the Recipient 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 10. Progress Reports. The Recipient shall submit to the OPWC, at the OPWC's request, summary reports detailing the progress of the Project pursuant to this Agreement and any additional reports containing such information as the OPWC may reasonably require.

SECTION 11. 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 three (3) 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 ten (10) days of the issuance of the report. The Recipient simultaneously shall provide the Director with its detailed responses to each and every 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 resolving 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 Chapter 164 of the Revised Code until the Recipient so complies or until the Recipient satisfactorily resolves such findings.

SECTION 12. General Assembly Appropriation. The Recipient hereby 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 Chapter 164 of the Revised Code. 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 Chapter 164 of the Revised Code and Chapter 164-1 of the Administrative Code and until the Recipient has acquired and committed all funds necessary for the full payment of the Matching Funds applicable to the Project.

SECTION 13. Indemnification. 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, good, or supplies of the Project sufficient to impose upon the Director any of the obligations specified in Revised Code Section 126.30. Provided that the Recipient is not a Local Political Subdivision, the Recipient shall indemnify and hold harmless the Director, the OPWC, the State and their respective officers, directors, members, agents and employees from any and all liability arising out of or pursuant to this Agreement, the Recipient's use or application of the funds being provided by the OPWC hereunder and the Recipient's construction or management of the Project.

SECTION 14. Termination. The OPWC's obligations under this Agreement shall immediately terminate upon the failure of the Recipient to comply with any of the terms or conditions contained herein. Upon such termination, the Recipient shall be obligated to return

any moneys delivered to the Recipient pursuant to the provisions of this Agreement. In the absence of any such failure, this Agreement shall terminate and the obligations of the parties hereto shall be deemed to be satisfied on the date on which all of the Infrastructure Bonds, of which the proceeds were used to pay or reimburse the costs of the Project, have been retired.

SECTION 15. 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 located in the courts of Franklin County, State of Ohio.

SECTION 16. Severability. If any of the provisions of this Agreement or the application thereof to any person or circumstance shall for any reason or to any extent be held invalid or unenforceable, the remainder of this Agreement and the application of this provision to such other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by Law.

SECTION 17. Entire Agreement. This Agreement and its Appendices and Attachments attached hereto 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.

SECTION 18. 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.

SECTION 19. Notices. Except as otherwise provided hereunder, any notices required hereunder 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.

SECTION 20. No Waiver. If either party hereto at any time fails to require performance by the other of any provision of this Agreement, such failure in no way affects the right to require such performance at any time thereafter, nor shall the waiver by either party of a breach or default under any provision of this Agreement be construed to be a waiver of any subsequent breach or default under that provision or any other provision of this Agreement.

SECTION 21. Acceptance by Recipient. This Agreement must be signed by the Chief Executive Officer of the Recipient and returned to, and received by, the OPWC within forty-five (45) days of the date written on the first page of this Agreement. Failure of the Recipient to return a fully executed copy of this Agreement to the OPWC within the forty-five (45) day limit will result in this Agreement being declared null and void. However, upon the Recipient presenting the Director with a written explanation of the need to extend this forty-five (45) day limit, the Director, in his sole discretion, may extend the forty-five (45) day limit.

SECTION 22. Assignment. Neither this Agreement nor any rights, duties or obligations described herein shall be assigned by either party hereto without the prior written consent of the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Project No. **CG32S/CG33S** as of the date first written above.

RECIPIENT

GRANTOR

STATE OF OHIO, OHIO PUBLIC WORKS COMMISSION

Hon. Linda Clark, Mayor

By: _____
Michael Miller, Director

Village of Mantua
4650 West High Street
Mantua, OH 44255-

Ohio Public Works Commission
65 East State Street
Suite 312
Columbus, OH 43215

WITNESS

WITNESS

RECEIVED
DEC 20 2000

CPUC

OHIO PUBLIC WORKS COMMISSION

PROJECT AGREEMENT

GRANT / LOAN

STATE CAPITAL IMPROVEMENT PROGRAM

Pursuant to Ohio Revised Code 164.05 and Ohio Administrative Code 164-1-21, this Project Agreement is entered into this 15th day of December, 2000 by and between the State of Ohio, acting by and through the Director of the Ohio Public Works Commission (hereinafter variously referred to as the "Director" or the "OPWC"), located at 65 East State Street, Suite 312, Columbus, Ohio 43215, and The Village of Mantua, Portage County (hereinafter referred to as the "Recipient"), located at 4736 East High Street, Mantua, OH 44255-, in respect of the project named Wastewater Treatment Plant Expansion, and as described in Appendix A of this Agreement, (hereinafter referred to as the "Project") to provide an amount not to exceed Three Hundred Thousand Dollars (\$300,000) 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 attached hereto.

Subdivision Code : **133-47180**

OPWC Grant Project Control No. CG35D
OPWC Loan Project Control No. CG36D

RUP

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.

SECTION 19. Notices. Except as otherwise provided hereunder, any notices required hereunder 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.

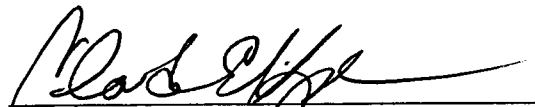
SECTION 20. No Waiver. If either party hereto at any time fails to require performance by the other of any provision of this Agreement, such failure shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver by either party of a breach or default under any provision of this Agreement, be construed to be a waiver of any subsequent breach or default under that provision or any other provision of this Agreement.

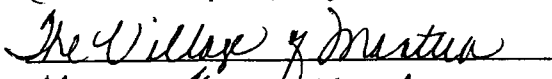
SECTION 21. Acceptance by Recipient. This Agreement must be signed by the Chief Executive Officer of the Recipient and returned to, and received by, the OPWC within forty-five (45) days of the date written on the first page of this Agreement. Failure of the Recipient to return a fully executed copy of this Agreement to the OPWC within the forty-five (45) day limit described herein will result in this Agreement being declared null and void, and the OPWC funds committed herein will be returned to the District Public Works Integrating Committee for reallocation. However, upon the Recipient presenting the Director with a written explanation of the need to extend this forty-five (45) day limit, the Director, in his sole discretion, may extend the forty-five (45) day limit.

SECTION 22. Assignment. Neither this Agreement nor any rights, duties or obligations described herein shall be assigned by either party hereto without the prior written consent of the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Project # CG35D/CG36D as of the date first written above.

RECIPIENT


Hon. Claude Hopkins, Mayor


4736 East High St -
Martinez, OH 44255
City, State & Zip/Code


WITNESS

GRANTOR

STATE OF OHIO, OHIO PUBLIC WORKS COMMISSION

By: 
W. Laurence Bicking, Director

Ohio Public Works Commission
65 East State Street
Suite 312
Columbus, OH 43215


WITNESS

11

APPROVED
FINANCE & ADMINISTRATION



APPENDIX C-2
PROMISSORY NOTE

\$150,000

The Village of Mantua, Ohio
CG36D

15th day of December, 2000

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 **65 E. State Street, Suite 312, Columbus, OH 43215**, or at such other place as the holder hereof may, from time to time, designate in writing, the principal sum of **One Hundred Fifty Thousand Dollars (US\$150,000)**, or so much thereof as shall be advanced by Lender and remain unpaid, together with all costs herein provided and interest from the Interest Accrual Date and thereon until said amounts have been paid in full at a rate equal to **Zero percent (0.00%)** per annum, or the "Default Rate" (as hereinafter defined), as the case may be.

From the Interest Accrual Date, interest shall be calculated on the daily unpaid principal balance hereof based on the actual number of days elapsed in the interest payment period over a year of 360 days. The "Interest Accrual Date" shall be the first day of the next month following the earlier of (i) the full disbursement of OPWC funds under this project agreement or (ii) the actual construction completion date of the Project.

Principal and interest due under this Note shall be payable as follows:

The first payment due hereunder shall be made on the next January 1 or July 1 following the Interest Accrual Date, whichever date first occurs, which date shall be referred to herein as the "Initial Payment Date." On the Initial Payment Date, the undersigned shall pay all interest which has accrued from the Interest Accrual Date through the Initial Payment Date; no principal need be paid.

After the Initial Payment Date, principal and interest shall be due and payable in equal consecutive semi-annual installments commencing on the next January 1 or July 1 following the Initial Payment Date (the "Second Payment Date") and continuing on each January 1 and July 1 thereafter until maturity. Subject to adjustment as provided herein, the amount of each such semi-annual installment of principal and interest shall be the amount which would fully amortize the unpaid principal balance of the indebtedness evidenced by this Note as of the Second Payment Date, such amortization to be based upon (i) an amortization period of **Twenty years (20)** commencing on the Second Payment date, except for a zero (0) percent loan which would commence on the Initial Payment Date and (ii) interest being calculated on the basis of thirty (30) day calendar months in a 360 day year; provided that in the event the Lender makes additional disbursements following the Second Payment Date, the amount of the semi-annual installments of principal and interest required hereunder shall be increased to the amount it would take to fully amortize this Note based upon (i) the new principal balance and (ii) the above-referenced amortization period, less the number of years (or parts thereof) which have elapsed since the Second Payment Date. The unpaid principal sum of this Note and all accrued and unpaid interest and other charges hereunder shall be payable in full on the Maturity Date which would be either January 1 or July 1 following the loan term. 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 balloon payment, consisting of (i) all accrued and unpaid interest and other charges and (ii) the entire unpaid principal balance hereof.

If Recipient shall fail to make any payment hereunder when due, and the same is not corrected within thirty (30) days, then the amount of such default shall bear interest thereafter at the rate of eight percent (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 accrued interest and other 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 Section 164.05 of the Ohio Revised Code, direct the county treasurer of the county in which the Recipient is located to pay the amount due hereunder 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 of its rights and remedies without prejudice thereto and regardless of any prior forbearance.

THE RECIPIENT MAY NOT PREPAY ANY PART OF THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE WITHOUT THE PRIOR WRITTEN CONSENT OF THE LENDER.

The Recipient and any endorser, guarantor and surety now or hereafter liable for the payment of the principal or interest due on this Note, or any part thereof, does hereby expressly agree that any renewal, extension or modification of the terms of the Project Agreement including the terms or the time for the payment of any part of this Note may be made or extended without notice and without releasing or otherwise affecting liability of said parties on this Note.

NOTE: IF A PROJECT COMPLETION REPORT IS NOT RECEIVED WITHIN SIXTY (60) DAYS FROM THE ESTIMATED PROJECT COMPLETION DATE THE PROJECT MAY BE TERMINATED AT THE SOLE DISCRETION OF THE DIRECTOR. UPON NOTIFICATION OF TERMINATION A REVISED AMORTIZATION SCHEDULE WILL BE PROVIDED BASED ON THE ACTUAL AMOUNT OF OPWC FINANCIAL ASSISTANCE BORROWED. AFTER PROJECT TERMINATION NO FURTHER DISBURSEMENT ACTIVITY WILL BE ALLOWED.

The waiver by Lender or failure to enforce any other term, covenant or condition of this Note, or the Project Agreement and all appendices thereto or to declare any default hereunder or thereunder, shall not operate as a waiver of any subsequent default or affect the right of Lender to exercise any right or remedy not expressly waived in writing by Lender.

The unenforceability or invalidity of any one or more provisions of this Note shall not render any other provision herein contained unenforceable or invalid.

This Note and all of the Project Agreement and all Appendices thereto have been executed and delivered in the State of Ohio and shall be governed by and construed in accordance with the laws of the State of Ohio.

Any notice to the Recipient provided for in this Note shall be given by mailing such notice by certified mail, addressed to the Recipient at the following address: **4736 East High Street, Mantua, OH 44255**. Any notice to the Lender shall be given by mailing such notice by certified mail, return receipt requested, to the Lender at the address of the Lender as may have been otherwise designated by notice to the Recipient.

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

Recipient:

The Village of Mantua

By: Betsy Woolf
Betsy Woolf, Clerk/Treasurer

Ohio Public Works Commission

PROJECT GRANT/LOAN AGREEMENT

STATE CAPITAL IMPROVEMENTS PROGRAM

Pursuant to Ohio Revised Code Chapter 164 and Ohio Administrative Code Chapter 164-1, this Project

Grant/Loan Agreement (hereinafter referred to as the Agreement) is entered into **07/01/2019** by and

between the State of Ohio, acting by and through the Director of the Ohio Public Works Commission

(hereinafter referred to as the "Director" or the "OPWC"), and **Village of Mantua, Portage County**

(hereinafter referred to as the "Recipient"), in respect of the Project named **Reservoir Rehabilitation**

Improvement as described in Appendix A of this Agreement ("Project") to provide **100%** of the total

Project cost ("Participation Percentage"), not to exceed **Four Hundred Fifty Thousand Dollars**

(\$450,000), 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 attached hereto.

OPWC Project **CG51W/CG52W**

RECITALS

Pursuant to Ohio Revised Code 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 Chapter 164 of the Ohio Revised Code;

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;

Ohio Revised Code Sections 164.05 and 164.06 permit a grant of funds, or other forms of financial assistance, for such a Capital Improvement Project to be expended and provided only after the District Committee has submitted a request to fund the Capital Improvement Project 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 promises and covenants herein contained, the undersigned agree as follows:

I. DEFINITIONS. The following words and terms as hereinafter 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” or “Capital Improvement Project” means 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, wastewater treatment facilities, 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.

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

“Chief Fiscal Officer” means the single office or official of the Recipient designated in Appendix A pursuant to Section V, 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 herein 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 construction, reconstruction, expansion, improvement or engineering of the Project; or both.

“Cost of Capital Improvement Projects” means the costs of acquiring, constructing, reconstructing, expanding, improving and engineering Capital Improvement Projects, and related financing costs.

“District Committees” means the District Public Works Integrating Committees and the Executive Committees created pursuant to Ohio Revised Code 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 and loaned 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 thereto.

“Governing Body” means the board of county commissioners or a county council if a county; the legislative authority if 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 any 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 for paying or reimbursing the costs certified to the Director under this Agreement for completion of the project.

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

“Participation Percentage” means the rounded 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 rounded 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 that term is 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, 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 such term is used in Code Sections 141 and 148.

II. FINANCIAL ASSISTANCE. 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.

A. *The Grant.* 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 **Three Hundred Thousand Dollars (\$300,000)**.

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.

B. *The Loan.* On the terms and conditions of the Agreement which are incorporated herein and made a part hereof, the OPWC shall lend to Recipient and Recipient shall borrow from the OPWC an amount not to exceed **One Hundred Fifty Thousand Dollars (\$150,000)**, 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.

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

a. 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;

b. It shall permit any authorized agent of the OPWC to inspect all records, accounts and data of the Utility at any reasonable time; and

c. 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.

2. 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 herein 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.

3. 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.

4. 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.

5. 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 he or she reasonably believes that the Recipient is unable to pay the Repayment Amount or its Local Subdivision Contribution as and when due.

6. Upon completion of the Project, the Recipient shall make a full and complete accounting to the OPWC of the Eligible Project Cost.

7. 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.

8. 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:

- a. 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

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- b. 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 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 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.

9. The Recipient agrees that each of the following shall be an event of default (“Event of Default”) under this Agreement:

- a. The Recipient fails to make any payment to the OPWC of the Repayment Amount required as and when due under the Note and/or the Recipient fails to pay its Local Subdivision Contribution.
- b. 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.

10. Whenever an Event of Default shall have happened and be subsisting, in addition to any other rights or remedies provided herein, the Note, by law or otherwise:

- a. 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.
- b. 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.
- c. The OPWC shall be released from all obligations to Recipient.
- d. 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.

11. No right or remedy conferred upon the OPWC under Section 10 above 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.

12. 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.

C. *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, 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.

III. 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.

IV. 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, providing that the Project can be completed within a reasonable time frame.

V. 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, a form of which is attached, 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 set forth herein 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. Upon receipt of a warrant from the Office of Budget and Management, Ohio Shared Services, drawn in connection with the voucher, the Director shall forward the warrant 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. An invoice submitted to the Recipient by the Contractor documenting work performed or materials or labor supplied;
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 Fiscal Officer and the Chief Executive 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 execution 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 granted 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.

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

A. 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.

B. 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.

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

A. 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. 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.

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. Recipient has complied with all procedures, prerequisites and obligations for Project application and approval under the Ohio Revised Code Chapter 164 and Ohio Administrative Code Chapter 164-1.

E. 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 percent 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
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

(ii) 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

(iii) 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

(iv) 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

(v) 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

(vi) 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.

VIII. **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

IX. **AUDIT RIGHTS.** The Recipient shall, at all reasonable times, provide the Director access and a right to inspect all sites and facilities involved in the Project and access to and a right to examine or audit

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 resolving 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.

X. GENERAL ASSEMBLY APPROPRIATION. The Recipient hereby 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 Ohio Administrative Code Chapter 164-1 and until the Recipient has acquired and committed all funds necessary for the full payment of the local share applicable to the Project.

XI. INDEMNIFICATION. 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 126.30. The Recipient shall indemnify and hold harmless the Director, the OPWC, the State and their respective officers, directors, members, agents and employees from any and all liability arising out of or pursuant to this Agreement, the Recipient's use or application of the funds being provided by the Director and the Recipient's construction or management of the Project.

XII. 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 terms or conditions contained herein. Upon such termination, the Recipient shall be obligated to return any moneys delivered to the Recipient pursuant to the provisions of this Agreement.

XIII. 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.

XIV. SEVERABILITY. If any of the provisions of this Agreement or the application thereof to any person or circumstance shall for any reason or to any extent be held invalid or unenforceable, the remainder of this Agreement and the application of this provision to such other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by Law.

XV. ENTIRE AGREEMENT. This Agreement and its Appendices and Attachments attached hereto 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.

XIV. 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.

XVII. NOTICES. Except as otherwise provided, any notices required 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.

XVIII. NO WAIVER. If either party hereto at any time fails to require performance by the other of any provision of this Agreement, such failure in no way affects the right to require such performance at any time thereafter, nor shall the waiver by either party of a breach or default under any provision of this Agreement be construed to be a waiver of any subsequent breach or default under that provision or any other provision of this Agreement.

XIX. ACCEPTANCE BY RECIPIENT. This Agreement must be signed by the Chief Executive Officer and returned to and received by the Director prior to the disbursement of funds.

XX. ASSIGNMENT. Neither this Agreement or any rights, duties or obligations described herein shall be assigned by either party hereto without the prior written consent of the other party.

XXI. FACSIMILE SIGNATURES. Any party hereto may deliver a copy of its counterpart signature page to this Agreement via fax or email. Each party hereto shall be entitled to rely upon a facsimile signature of any other party delivered in such a manner as if such signature were an original.

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.

XIII. NON-DISCRIMINATION. Pursuant to Ohio Revised Code 125.111 Recipient agrees that Recipient and any person acting on behalf of 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. Recipient further agrees that Recipient and any person acting on behalf of 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.

XIV. COMPLIANCE WITH LAW. The Recipient, in expending the funds, agrees to comply with all applicable federal, State and local laws, rules, regulations and ordinances.

All of the above is agreed to and understood by the parties signed below. This Agreement for Project No. **CG51W/CG52W** is effective as of 07/01/2019.

RECIPIENT

STATE OF OHIO
Ohio Public Works Commission



Linda Clark, Mayor

Linda S. Bailiff, Director

Village of Mantua
Village Hall
4650 West High Street
Mantua, OH 44255

Ohio Public Works Commission
65 East State Street, Suite 312
Columbus, OH 43215-4213

Appendix A

Project Completion Schedule, Administration Designation, Description

- 1) *Project Schedule.* Construction must begin within one year of 07/01/2019. Construction is scheduled to begin 08/15/2019 with completion by 12/31/2019. 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 V.A. of this Agreement is designated by the Recipient as follows:

Linda Clark, Mayor to act as the Project Chief Executive Officer;
Jenny August, Clerk/Treasurer to act as the Project Chief Fiscal Officer; and
Richard J. Iafelice, Village 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: Reservoir Drive-Primary location of the project is existing Booster Station and ground level reservoir tank with support work at the Village's Water Treatment Plant.

Description: The project components primarily consist of temporary storage, SCADA modifications and interconnecting piping with the booster pumps before the tank is drained, cleaned, walls sealed and repaired, and the roof cap replaced. The major element is the aluminum geodesic dome that will replace the concrete roof cap. The reservoir is 50 feet in diameter with a side water depth of about 20 feet holding 250,000 gallons of potable water. See engineer's estimate in project application for approved bid items and quantities.

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 **0%** of the total Project Cost. The OPWC Participation Percentage shall be **100%** not to exceed **\$450,000**.

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:

a) PROJECT FINANCIAL RESOURCES:

i) Local In-Kind Contributions	\$0
ii) Local Public Revenue	\$0
iii) Other Revenue:	
- ODOT/FHWA	\$0
- OEPA/OWDA	\$0
- CDBG	\$0
- USDA	\$0
- Other	\$0

SUBTOTAL	\$0
----------	-----

- Grant	\$300,000
- Loan	\$150,000

SUBTOTAL	\$450,000
----------	-----------

TOTAL FINANCIAL RESOURCES	\$450,000
---------------------------	-----------

b) PROJECT ESTIMATED COSTS:

i) Engineering:	\$67,000
ii) Right-of-Way	\$5,000
iii) Construction	\$375,000
iv) Materials Purchased Directly	\$0
v) Permits, Advertising, Legal	\$500
vi) Construction Contingencies	\$2,500

TOTAL ESTIMATED COSTS	\$450,000
-----------------------	-----------

**Ohio Public Works Commission
Disbursement Request Form and Certification**

Statement requesting the disbursement of funds from the OPWC pursuant to Section V of the Project Agreement (the "Agreement") executed between the Director of the Ohio Public Works Commission (the "Director") and Village of Mantua, Portage County (the "Recipient"), dated 07/01/2019, for the sole and express purpose of financing the Capital Improvement Project defined and described in Appendix A of the Agreement (the "Project") and named and numbered as **CG51W/CG52W**.

EXPENDITURES PROGRESS:	(1) AS PER AGREEMENT	(2) PRIOR DISBURSED	(3) AS PART OF THIS DRAW	(4) PAID TO DATE (Column 2 + 3)
A) Engineering	\$67,000.00	\$ _____	\$ _____	\$ _____
B) Right-ofWay	\$5,000.00	\$ _____	\$ _____	\$ _____
C) Construction	\$375,000.00	\$ _____	\$ _____	\$ _____
D) Materials Purchased Directly	\$0.00	\$ _____	\$ _____	\$ _____
E) Permits, Advertising, Legal	\$500.00	\$ _____	\$ _____	\$ _____
F) Construction Contingencies	\$2,500.00	\$ _____	\$ _____	\$ _____
G) Total Expenditures	\$450,000.00	\$ _____	\$ _____	\$ _____

FINANCING PROGRESS:	(1) AS PER AGREEMENT	(2) PRIOR DISBURSED	(3) AS PART OF THIS DRAW	(4) PAID TO DATE (Column 2 + 3)
H) OPWC Funds	450,000	\$ _____	\$ _____	\$ _____
I) Local Share				
1) In-kind Contributions	\$0.00	\$ _____	\$ _____	\$ _____
2) Public Revenues	\$0.00	\$ _____	\$ _____	\$ _____
J) Other Revenue				
1) ODOT/FHWA	\$0.00	\$ _____	\$ _____	\$ _____
2) OEPA/OWDA	\$0.00	\$ _____	\$ _____	\$ _____
3) CDBG	\$0.00	\$ _____	\$ _____	\$ _____
4) USDA	\$0.00	\$ _____	\$ _____	\$ _____
5) Other	\$0.00	\$ _____	\$ _____	\$ _____
K) Total Local and Other Revenue	\$0.00	\$ _____	\$ _____	\$ _____
L) Total Financing (H+K)	\$450,000.00	\$ _____	\$ _____	\$ _____

[NOTE: Column totals for Line L must be equal to the column totals for Line G.]

Subdivision Name: Village of Mantua
Project Name: Reservoir Rehabilitation Improvement
OPWC Control No.: CG51W/CG52W

Disbursement Form - Page 2

Disbursement Request # _____

If this is a final request (to be marked on top of page 3) or if this disbursement uses the remainder of your assistance, your Project file will be closed upon processing this request. As described in Appendix B of the Project Agreement, your minimum Percentage Contribution is 0% of the total Project cost.

AUTHORIZED CERTIFICATIONS

Changes to Project officials must be submitted in writing.

PROJECT MANAGER CERTIFICATION:

I hereby certify that the work items invoiced and included herein are exclusively associated with the Project, have been completed in a satisfactory manner, and are otherwise in accord with the terms and conditions of the Agreement. This request reflects Project completion at an estimated _____%.

I certify that the information under this Disbursement Request Form and Certification is true and accurate, and that the work has been completed in accordance with the terms of the Agreement, including payment of the applicable prevailing wage rates. By signing below, I certify that the material suppliers, contractors and subcontractors have been paid in full for work performed and materials supplied pursuant to this Request.

Richard J. Iafelice, Village Engineer

Date

Phone

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION:

Pursuant to Section V. B. and V. C. of the Agreement, the undersigned Chief Executive Officer and Chief Fiscal Officer, as both are designated in Appendix A of the Agreement, hereby request the Director to disburse financial assistance moneys made available to Project in Appendix B of the Agreement (inclusive of any amendment thereto) to the payee as identified below in the amount so indicated which amount equals the product of the Disbursement Ratio and the dollar value of the attached cost documentation which was properly billed to the Recipient in exclusive connection with the performance of the Project. The undersigned further certify that:

- 1) Each item of Project cost documentation attached hereto is properly payable by the OPWC in accordance with the terms and conditions of the Agreement, and none of the items for which payment is requested has formed the basis of any payment heretofore made from the OPWC;
- 2) Each item for which payment is requested is or was necessary in connection with the performance of the Project;
- 3) In the event that any of the money disbursed to the Recipient pursuant to this request is to be used to pay Project costs based on an invoice submitted by a contractor of which the Recipient's share is yet to be paid, the Recipient shall expend such money to pay such contractor for the Project costs as soon as possible;
- 4) This statement and attachments hereto shall be conclusive as evidence of the facts and statements set forth herein and shall constitute full warrant, protection, and authority to the Director for any actions taken pursuant hereto; and
- 5) This document evidences the approval of the undersigned Chief Executive Officer and Chief Fiscal Officer of each payment hereby requested and authorized.

IN WITNESS WHEREOF, the undersigned have executed this Disbursement Request Form and Certification as of this _____ day of _____, _____.

Jenny August, Clerk/Treasurer

Linda Clark, Mayor

CFO Phone: _____

Subdivision Name: Village of Mantua
Project Name: Reservoir Rehabilitation Improvement
OPWC Control No.: CG51W/CG52W

Disbursement Request # _____/Circle if Final

CONTRACTOR/VENDOR PAYEE IDENTIFICATION:

Set forth the appropriate portion(s) of this Disbursement Request amount (all or part of the amount from H (3)) that is to be paid to each of the contractors/vendors (or Subdivision) identified below, and as are supported through accompanying copies of invoices or other evidence of expense. All information must be provided.

1) AMOUNT TO BE PAID CONTRACTOR/VENDOR BY the OPWC \$ _____
PAYEE: _____
Address: _____
Phone: (_____) _____ - _____
Federal Tax ID #: _____

2) AMOUNT TO BE PAID CONTRACTOR/VENDOR BY the OPWC \$ _____
PAYEE: _____
Address: _____
Phone: (_____) _____ - _____
Federal Tax ID #: _____

3) AMOUNT TO BE PAID CONTRACTOR/VENDOR BY the OPWC \$ _____
PAYEE: _____
Address: _____
Phone: (_____) _____ - _____
Federal Tax ID #: _____

4) AMOUNT TO BE PAID CONTRACTOR/VENDOR BY the OPWC \$ _____
PAYEE: _____
Address: _____
Phone: (_____) _____ - _____
Federal Tax ID #: _____

5) AMOUNT TO BE PAID CONTRACTOR/VENDOR BY the OPWC \$ _____
PAYEE: _____
Address: _____
Phone: (_____) _____ - _____
Federal Tax ID #: _____

OPWC Use Only

Approved by: _____ Date: _____

Reviewed by: _____



September 15, 2020

Mr. Michael A. Marozzi, P.E., P.S.
Portage County Engineer
Chairman, District 7 Committee
5000 Newton Falls Road
Ravenna, Ohio 44266

Re: OPWC Funding Preapplication Form
Round 35 – Program Year 2021
Village of Mantua, Ohio

Dear Mr. Marozzi:

On behalf of the Village of Mantua, we are pleased to submit for your consideration a Preapplication Package for the Ohio Public Works Commission, Round 35 funding cycle for the ***Northeast Quadrant Waterline Replacement – Phase I***. This is a critical segment to initiate the master plan for this area to address low water pressures that are below Ohio EPA guidelines.

Mantua appreciates everything provided in past years that helped the Village improve the quality of life for its residents.

If you have any questions regarding our Preapplication, please contact me at 440.477.1719. I would like to thank you for the opportunity to submit our Preapplication for Round 35 funding. We look forward to hearing from you.

Respectfully,

CT CONSULTANTS INC.

Richard J. Iafelice, P.E., P.S.
Mantua Village Engineer

RJI/saa
Enclosures

cc: Linda Clark, Mayor, w/encl.
Jenny August, Clerk-Treasurer, w/encl.

R:\CO_PORTAGE\Mantua\Grant-Loan Applications\OPWC\Rnd 35 - NE Quadrant Phase I\Pre-App 9-15-20\Preapp Cover Ltr.Docx

TABLE OF CONTENTS

SUBDIVISION: VILLAGE OF MANTUA, OHIO

PROJECT NAME: NORTHEAST QUADRANT WATERLINE REPLACEMENT-
PHASE I

PROGRAM YEAR: 2021 - ROUND 35

DATE: SEPTEMBER 15, 2020

ITEM

Pre-Application Information

Pre-Application for Financial Assistance

Supporting Documentation

Supporting Information for Project Priority Rating
Engineer's Certification of Probable Construction Cost and Useful Life
Detailed Engineer's Estimate
Exhibit 1 – NE Quadrant Plan
Exhibit 2 – Old Waterline Map
Exhibit 3 – Water Rates
Project Location Map

PRE-APPLICATION INFORMATION

PY-22 Round 35
PUBLIC WORKS - DISTRICT 7 - PREAPPLICATION FORM

SUBDIVISION: VILLAGE OF MANTUA SCIP/LTIP

COUNTY: PORTAGE DATE: 9/15/2020 CONTACT: Richard J. Iafelice, P.E., P.S.

PHONE #: 440-530-2219 PROJECT NAME: NE Quadrant Waterline Replacement
Phase I

1.0 PROJECT FINANCIAL INFORMATION:

		Force Account
1.1 PROJECT ESTIMATED COSTS:	(Round to Nearest \$100)	
a.) Project Engineering Cost:		
1. Preliminary Engineering	\$1,500	\$0
2. Final Design	\$19,500	\$0
3. Other Engineer Services		\$0
Supervision	\$17,500	\$0
Miscellaneous	\$0	
b.) Acquisition Expenses:		
1. Land	\$0	
2. Right-of-Way	\$0	
c.) Construction Costs:	\$213,000	\$0
d.) Equipment Purchased Directly:	\$0	\$0
e.) Other Direct Expenses:	\$0	
f.) Contingencies:	\$19,700	
g.) TOTAL ESTIMATED COSTS:	\$271,200.00	
1.2 PROJECT FINANCIAL RESOURCES:	(Round to Nearest \$100)	
a.) Local In-Kind Contributions	\$0	0%
b.) Local Public Revenues	\$54,200	20%
c.) Local Private Revenues	\$0	0%
d.) Other Public Revenue		
1. ODOT PID#	\$0	0%
2. EPA/OWDA	\$0	0%
3. OTHER	\$0	0%
SUB-TOTAL LOCAL RESOURCES:	\$54,200	20%
e.) OPWC Funds		
1. Grant	\$217,000	80%
2. Loan (SCIP Applications Only)		0%
3. Loan Assistance	\$0	0%
SUB-TOTAL OPWC RESOURCES:	\$217,000	80%
f.) TOTAL FINANCIAL RESOURCES:	\$271,200	100%

1.3 LOAN, CREDIT ENHANCEMENT, MINORITY BUSINESS ENTERPRISE WILLINGNESS

Is your Subdivision willing to accept a loan? NO

Maximum Loan Amount Acceptable?

Is your Subdivision willing to accept Credit Enhancement? NO

Set-aside Construction \$0

1.4 Flood Plain

Project in a flood plain? Yes No X Unknown

2.0 USEFUL LIFE/COST ESTIMATE: Project Useful Life: 50 Years

Useful Life cannot be a Range (Calculate a Weighted Life Based on Estimated Component Costs)

3.0 REPAIR/REPLACEMENT or NEW/EXPANSION:

TOTAL PORTION OF PROJECT REPAIR/REPLACEMENT	\$271,200	100%
State Funds Requested for repair and replacement	\$217,000	80%
TOTAL PORTION OF PROJECT NEW/EXPANSION	\$0	0%
State Funds Requested for New and Expansion	\$0	0%

4.0 BRIEF PROJECT DESCRIPTION - (Sections a through d):

a.) SPECIFIC LOCATION

The location includes a short segment on SR 44 (Main St.); Glenwood Drive; and, Grand Elm Drive in the Northeast Quadrant of the Village. The location map hilites the project area.

b.) PROJECT COMPONENTS:

Waterline Replacement - New 8-inch waterline replacing 4-inch asbestos-cement and cast iron pipe. Project scope includes the replacement of all individual residential service connections.

c.) PHYSICAL DIMENSIONS / CHARACTERISTICS:

New 8-inch Waterline - 300 LF on SR 44; 800 LF on Glenwood; and, 600 LF on Grand Elm with 19 new 3/4" service taps and connections.

d.) DESIGN SERVICE CAPACITY:

New 8-inch waterline meeting current water supply and distribution standards. As a replacement, the 1,700 LF of waterline improves the delivery of water to the service area.

5.0 PROJECT SCHEDULE: (OPWC Project Award Date - July 1, 2021)

		BEGIN DATE	END DATE
5.1	Engineering / Design	<u>2/1/2021</u>	<u>4/15/2021</u>
5.2	Bid Advertisement:	<u>5/15/2021</u>	<u>7/10/2021</u>
5.3	Construction	<u>8/8/2021</u>	<u>11/1/2021</u>

6.0 APPLICANT INFORMATION:

6.1	CHIEF EXECUTIVE OFFICER:	<u>Mayor Linda Clark</u>		
	PHONE:	<u>330-274-8776</u>	FAX:	<u>330-274-2884</u>
6.2	PROJECT MANAGER	<u>Richard J. Iafelice, P.E., P.S.</u>		
	TITLE:	<u>Village Engineer</u>		
	PHONE:	<u>440-530-2219</u>	FAX:	<u>440-951-7487</u>

7.0 REASONS WHY THIS PROJECT DESERVES OPWC FUNDING:

(Provide information to support the Project Priority Rating Criteria Form)

A hydraulic computer model was completed in 2018 that simulates the water distribution system and identified the Northeast Quadrant of the Village being served at working pressures in and out of violation of Ohio EPA standards. A minor correction was made at the water plant to mitigate the most severe drops in pressure, but the recent model finds the area hovering at pressures below Ohio EPA guidelines. The technical recommendation is to convert the entire Northeast Quadrant to a boosted pressure zone (see Exhibit 1). Historic records of line breaks do not exist; the Village reports two (2) breaks within the last year in this area.

Although this project is a replacement project only and will provide no additional users or user fees, this replacement begins as the first phase of a master plan to convert the quadrant to the boosted pressure zone. Significant water rate increases have recently been put in place. Studies, along with findings from Portage County Department of Water Resources Department, prioritize the replacement of the aged, undersized waterlines. The Village and Portage County are currently in negotiations for the County to assume ownership and control of the Village's utility systems. As part of the proposed Agreement, the County identified undersized waterlines as an infrastructure deficiency and the most severe with \$3,550,000 in estimated waterline replacements and distribution system looping alone.

SUPPORTING DOCUMENTATION

SUPPORTING INFORMATION FOR PROJECT PRIORITY RATING

SUPPORTING INFORMATION FOR PROJECT PRIORITY RATING

VILLAGE OF MANTUA NORTHEAST QUADRANT WATERLINE REPLACEMENT – PHASE I OPWC - ROUND 35 – PROGRAM YEAR 2021

A. District Needs

(a) Joint Projects:

The project is being submitted by the Village of Mantua. The Village, publicly solicited qualifications for an entity to assume ownership, operation and maintenance of both the water and wastewater utilities. The Village is currently in negotiations with Portage County in this regard; and as such, this waterline replacement is a segment of the estimated \$3,550,000 of water distribution system improvements compiled by the Portage County Department of Water Resources and stipulated as an Identified Need in the proposed Transfer Agreement.

(b) Persons Benefited:

This replacement section is minor and begins the first of many, many waterline replacements, but for this specific area, is the first phase of work to convert the Northeast Quadrant to the boosted pressure zone. It will serve about 40 residents with a new 8-inch waterline and new service connections.

B. Effort and Ability to Provide Financing

(a) Local Match - the Village of Mantua will supply 20% of the project costs. Besides operational and maintenance costs, the Village is currently addressing the complete replacement of its 250,000 gallon reservoir with a new storage tank; and, has contracted for the complete replacement of all individual water meters in the Village. Water rates were correspondingly raised.

(b) Amount of OPWC Funding Requested - The total grant requested is **\$217,000.**

(c) OPWC Loan or Credit Enhancement Offered - The Village is not in a financial position to receive a loan or credit enhancement at this time.

C. Generation of User Fees

User fees are currently generated from water sales to existing customers, but no additional customers or user fees will be generated by this project.

D. Age and Condition

(a) Age – By old records, the existing 4-inch water mains along Grand Elm, Glenwood and SR 44 are about 65 years old; circa 1950-1955. An old schematic waterline drawing is included as Exhibit 2.

(b) Condition - The pipe produced in this era for this was either non cement-lined cast iron or asbestos-cement. Records indicate the existing waterlines, this first phase of replacements proposed on Glenwood and Grand Elm, are asbestos-cement pipes; and cast iron on SR 44. The capacity of these lines are greatly reduced by build-up of scale on the walls of the pipe. This condition is also evidenced by the very low hydrant flows and from observation of pipe conditions during repairs and tie-ins throughout the system. The pipe is also undersized for current standard fire flow ratings even if its capacity had not been diminished by scale build up.

E. Readiness to Proceed

The Village, upon notification of selection by the Integrating Committee, is prepared to advance the surveying, design engineering, and bidding to enable the award of a construction contract by July 1, 2021.

F. Health and Safety – The local Fire Chief does not rely on the Village’s water system and resorts to tankers to supply the needed fire-fighting quantities and pressures. Hydrant flow tests by the Village and ISO Commercial Risk Services, Inc. in the Northeast Quadrant area have capacities vastly under the current standards for this residential district. The master plan will provide water from the booster station high pressure service district and the new 250,000 gallon storage tank instead of the low pressure gravity system, increase the size of the feeder pipe to increase flow and reduce pressure drop during peak flow, and replaces the existing 4-inch hydrants with 6-inch hydrants.

G. Availability and Use of Other Funding

The Village cannot afford to accept other loan assistance to its Water Fund with recent obligations and priorities given to major investments in addressing a Notice of Violation from Ohio EPA due to the condition of the failed concrete roof on the Village’s 250,000 gallon reservoir; and, the contract just underway to replace all individual water meters in the Village to a modern remote-read system.

The Village has and is continuing to apply for other funding for many projects within the Village, but finds other projects are fundable with those alternate sources. The Village received ODNR Nature Works grants to complete the bike/hike trail in Buchert Park and also obtained an AMATS grant to complete a sidewalk improvement along SR 44 a few years ago as part of an ongoing effort working jointly with the Downtown Mantua Revitalization Corporation to improve and upgrade the business district.

H. Overall Economic Health of Local Subdivision

In addition to the Per-capita Income levels, the Village experienced significant loss of revenue when a major industry moved out of the Village. Also, the Village experienced loss of income tax revenue from two schools and the Fire Department moving out of the Village into the Township. The Median Household Income is \$47,500 based upon the American Community Survey (ACS) 2014-2018 estimates.

I. Other Factors

Having incorporated 122 years ago, the infrastructure in Mantua is obviously aged and beyond its useful life. This is especially evident in the water distribution system with the oldest waterline circa 1902. OPWC funding for the Village, particularly in the last 10 to 15 years, has enabled the Village to methodically make progress in replacement projects. Having recently retired the debt on its new water plant, focus has turned to the system; with the recognition, the Village has an obligation to share in cost and have raised its water rates to one of the highest in Ohio. Refer to Exhibit 3 for the Village's current rate structure.

- a) Infrastructure Repair or Expansion - This project replaces a sixty-five year old 4-inch asbestos-cement and cast iron waterline which is vastly undersized for today's standard fire flow capacities. It does not extend into new service areas.
- (b) Other Influencing Factors – In 2005, the Village installed the Franklin Street waterline loop and a new booster station through a *\$544,000 loan* from Ohio EPA/WSRLA. The new booster station not only replaced the aging booster station, but provided needed daily use and fire flows to the new elementary and middle schools north of the Village on Pioneer Trail. The booster station was also sized to eventually provide high pressure service to the north side of Crestwood High School and the northeast quadrant of the Village which is currently serviced off the low pressure gravity system through pipes that around 65 to 70 years old and grossly undersized for today's fire flow standards.

A hydraulic computer model was completed in 2018 that simulates the water distribution system and identified the Northeast Quadrant of the Village being served at working pressures in and out of violation of Ohio EPA standards. A minor correction was made at the water plant to mitigate the most severe drops in pressure, but the recent model finds the area hovering at pressures below Ohio EPA guidelines.

Although this project is a replacement project only and will provide no additional users or user fees, this replacement begins as the first phase of a master plan to convert the quadrant to the boosted pressure zone. Significant water rate increases have recently been put in place. Studies, along with findings from Portage County Department of Water Resources Department, prioritize the replacement of the aged, undersized waterlines. The County identified this infrastructure deficiency as the most severe with \$3,550,000 in estimated waterline replacements and distribution system looping alone.

- (c) Relative Community Ranking for Multiple Projects - This is the only priority Village project at this time for waterworks as well as other infrastructure.

ENGINEER'S CERTIFICATION OF PROBABLE CONSTRUCTION COST AND USEFUL LIFE

**DISTRICT SEVEN
ENGINEER'S CERTIFICATE**

The Subdivision of *Village of Mantua* has applied for State funding for the *Northeast Quadrant Waterline Replacements – Phase I*.

As the Subdivision's authorized Engineer, I hereby certify that the weighted useful life of the above stated project is: 50 years

I further certify that the above stated project has an estimated total project cost of \$271,200.00.

Date: September 15, 2020

Signed: _____

Richard J. Iafelice, P.E., P.S.

Sealed: _____



Authorized Engineer: Richard J. Iafelice, P.E., P.S.

Firm: CT Consultants, Inc.

Address: 8150 Sterling Court

City, State, Zip: Mentor, Ohio 44060

DETAILED ENGINEER'S ESTIMATE

Village of Mantua
NORTHEAST QUADRANT WATERLINE REPLACEMENT - PHASE I
Engineer's Opinion of Probable Construction Cost
September, 2020

Ref. No.	Item Description	Quantity	Unit	Unit Cost	Item Total
1	Glenwood St. - 8" Waterline	800	LF	\$85.00	\$68,000.00
2	Glenwood St. - Individual Service Connections	14	EA.	\$1,750.00	\$24,500.00
3	SR 44 Interconnection	1	EA.	\$2,500.00	\$2,500.00
4	Grand Elm St. - 8" Waterline	600	LF	\$85.00	\$51,000.00
5	Grand Elm St. - Individual Service Connections	4	EA.	\$1,750.00	\$7,000.00
6	SR 44 Interconnection	1	EA.	\$2,500.00	\$2,500.00
7	SR 44 - 8" Waterline	300	LF	\$100.00	\$30,000.00
8	SR 44 - Individual Service Connection	1	EA.	\$1,750.00	\$1,750.00
9	Restoration	1	EA.	\$10,000.00	\$10,000.00
				SUBTOTAL	\$197,250.00
	Bonds & Insurance	1	EA.	3%	\$5,917.50
	Mobilization	1	EA.	5%	\$9,862.50
	Contingency	1	EA.	10%	\$19,725.00
				TOTAL	\$232,755.00


 Richard J. Iafelice, P.E., P.S., Village Engineer



EXHIBIT 1 – NE QUADRANT PLAN

Figure 5.5 – Alternative No. 5
12-inch PRV Connection and 8-inch Replacements (Fire Flow)

Exhibit 1

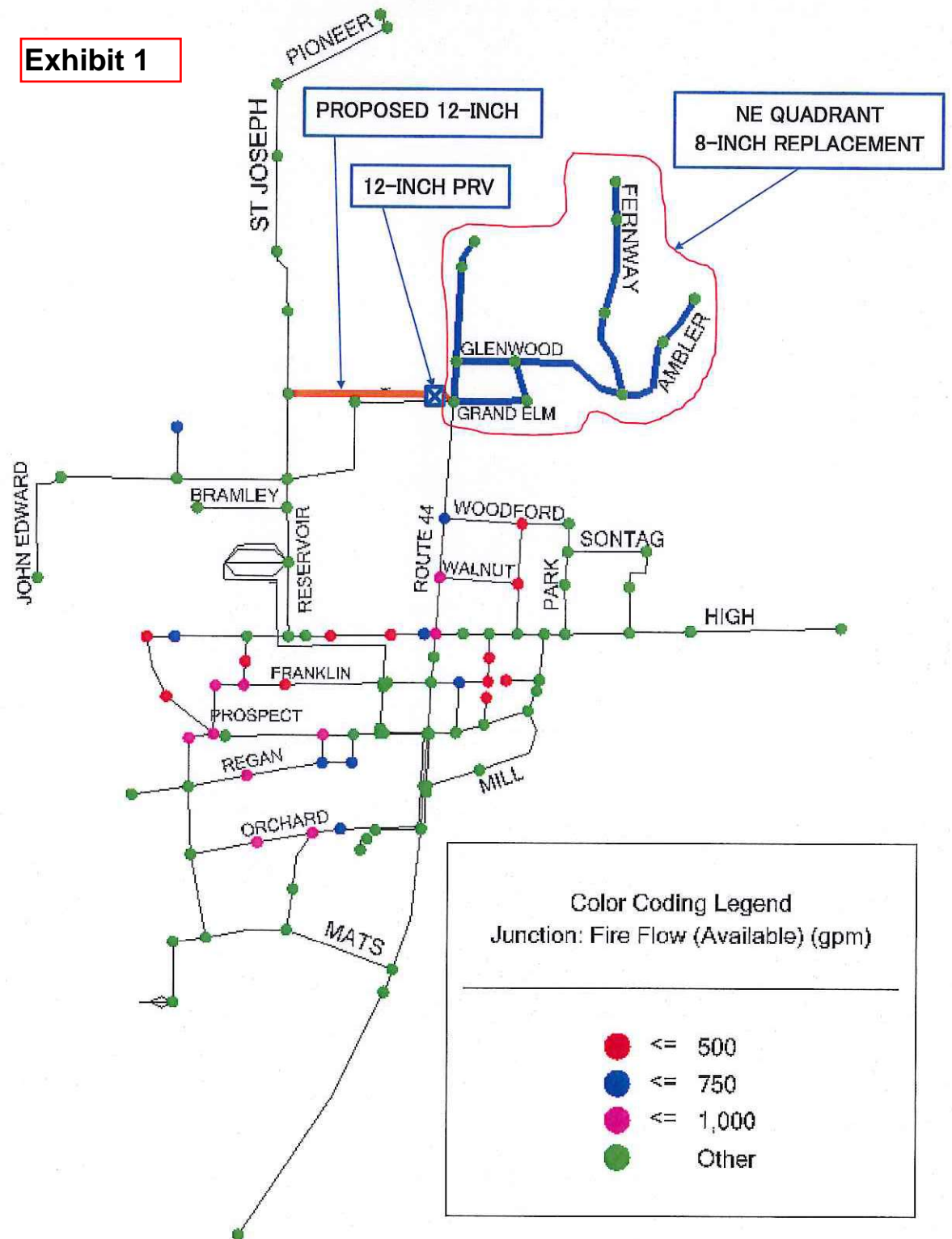


EXHIBIT 2 – OLD WATERLINE MAP

Exhibit 2

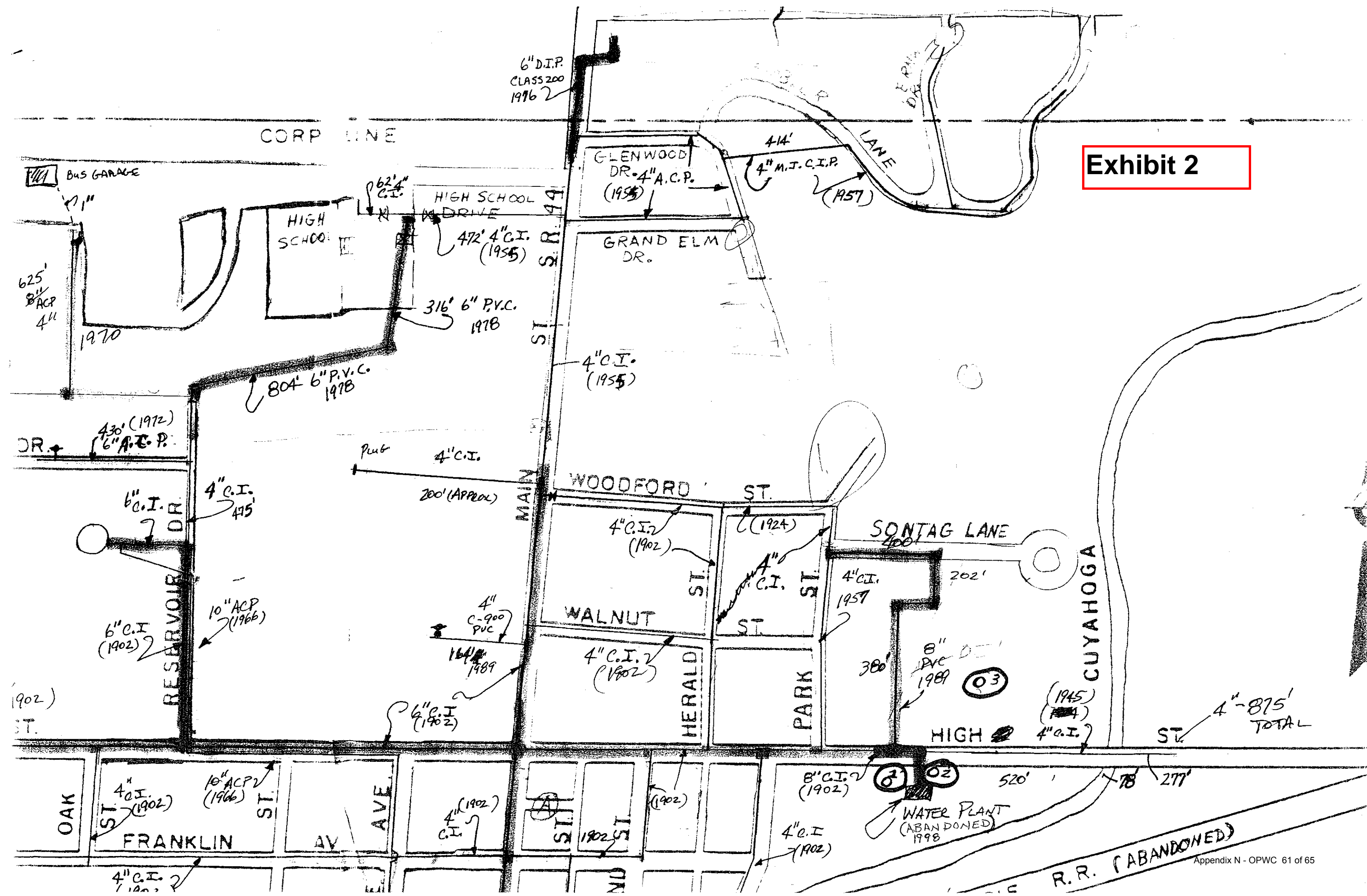


EXHIBIT 3 – WATER RATES

(b) The consumer shall install the designated device or method at his own expense and failure, refusal or inability to install such device or method immediately shall constitute a ground for discontinuing water service to the premises until such device or method has been installed and approved by the inspector. All backflow devices shall conform to Ohio Environmental Protection Agency specifications.

(c) The use of the approved backflow preventor at the water service connection does not in any way affect or eliminate the need for individual fixture devices or air gaps as required by Section 4101:2-51-33 of the Ohio Administrative Code.
(Ord. 2005-13. Passed 11-22-05.)

(d) In the judgment of the Village Administrator or his designee(s), all backflow prevention devices with service connections from the Village of Mantua of 1" (one inch) or greater shall have all inspections and tests made of such approved devices. These inspections and tests shall be done and on file no later than the 15th day of September in each calendar year. Failure to do so may result in the discontinuation of water service to such premises.
(Ord. 2012-16. Passed 6-19-12.)

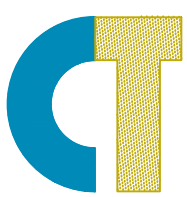
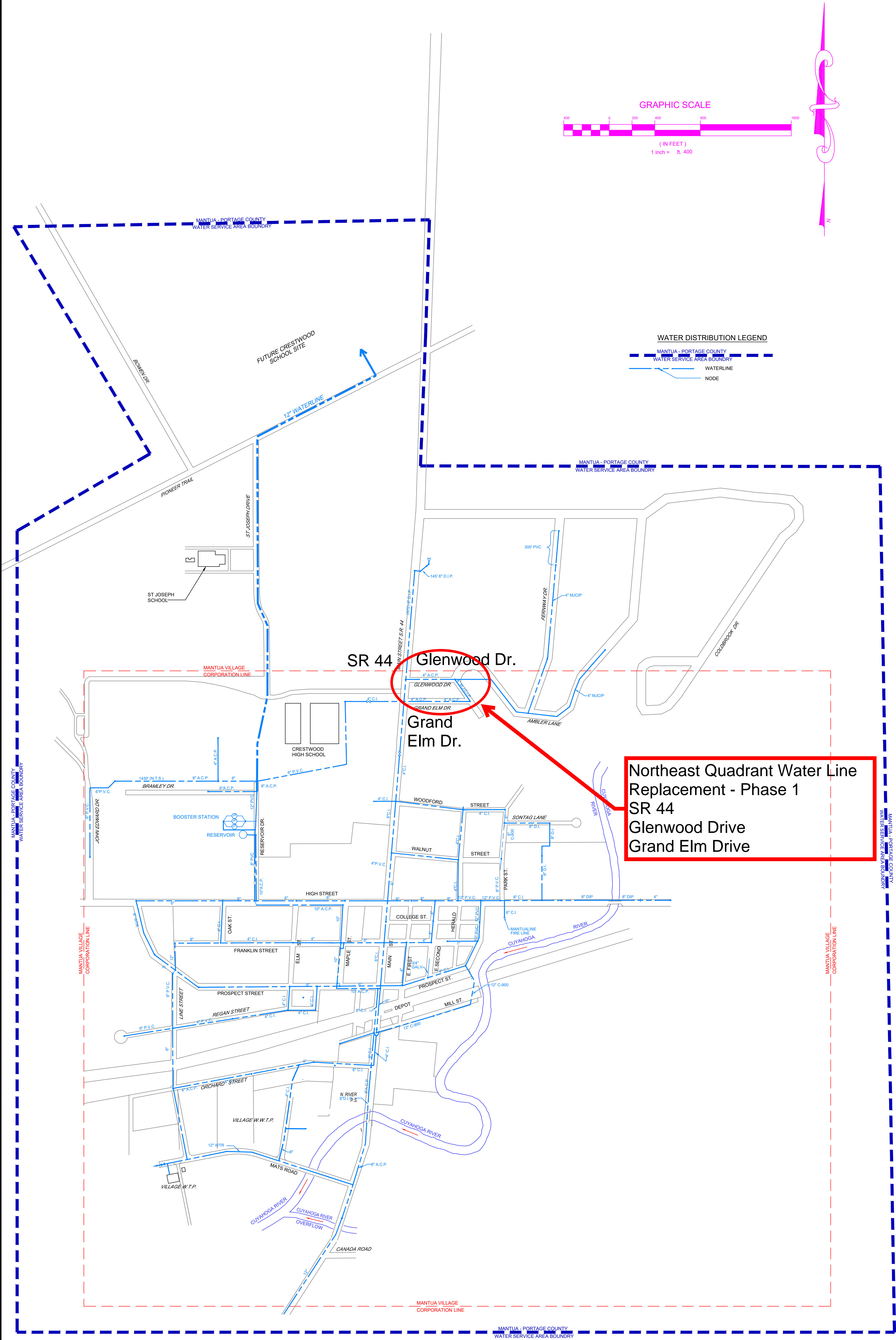
921.02 WATER USAGE RATES.

All users of the municipal water system shall be billed on a monthly basis based upon the amount of water supplied by the municipal waterworks system as shown by actual water meter readings for each calendar month or by estimated use in the discretion of the Village Administrator. Monthly rates or charges, and periodic increases thereto, for the use and service of the municipal water system shall be according to the following rates:

- (a) Effective October 1, 2018, the water rate for users within the Village of Mantua shall be as follows:
- | | | |
|-----|---------------------|----------------|
| (1) | <u>Residential:</u> | |
| | 0 to 235 CF | \$19.84 |
| | 236 CF to 2,667 CF | \$ 4.59/100 CF |
| | Over 2,667 CF | \$ 2.49/100 CF |
| (2) | <u>Commercial:</u> | |
| | 0 to 235 CF | \$19.84 |
| | 236 CF to 2,667 CF | \$ 6.04/100 CF |
| | Over 2,667 CF | \$ 2.49/100 CF |
- (b) Effective October 1, 2019, the water rate for users within the Village of Mantua shall be as follows:
- | | | |
|-----|---------------------|----------------|
| (1) | <u>Residential:</u> | |
| | 0 to 235 CF | \$22.81 |
| | 236 CF to 2,667 CF | \$ 5.28/100 CF |
| | Over 2,667 CF | \$ 2.86/100 CF |
| (2) | <u>Commercial:</u> | |
| | 0 to 235 CF | \$22.81 |
| | 236 CF to 2,667 CF | \$ 6.95/100 CF |
| | Over 2,667 CF | \$ 2.86/100 CF |

PROJECT LOCATION MAP

Copyright - Oct 25, 2019 - 11:41am CT Consultants, Inc.
Drawing name: R:\CO_PORTAGE\Mantua\Maps\Portage County Asset Transfer\sewer&water_map - updated 10-24-19.DWG Layout: WTR by: ELEY



CT Consultants
engineers architects planners

8150 Sterling Court - Mentor, Ohio 44060
440.951.9000 www.ctconsultants.com

SYSTEM DRAWINGS
PREPARED FROM
INFORMATION
PROVIDED BY THE
VILLAGE IN 2002 &
2019 & HAS NOT BEEN
FIELD VERIFIED.

UPDATED: 10/25/19

VILLAGE OF MANTUA

DATE: _____
DRAWN BY: _____
CHECKED BY: _____
APPROVED BY: _____
F.B. No. _____ PG. _____

WATER DISTRIBUTION SYSTEM

SCALE	
HOR.	
VERT.	
CONTRACT No.	
SHEET NO.	OF
1	1