Public Works Committee Meeting 2.21.23

Pax Lindell called a Public Works Committee Meeting on Tuesday February 21, 2023 at 7pm to discuss the Elm Avenue Water line and funding options.

Attendees: Mayor Tepe, Pax Lindell, Jeff LeMay, Lauren Ingebritson Jerry Hayhow and Katie Lyons.

Meeting called to order 7:00PM

Meeting purpose:

- **to discuss repairs and replacement of the water line infrastructure**
- **Funding opportunities**

Everyone agreed that upgrading the water lines needs to get done for safety reasons.

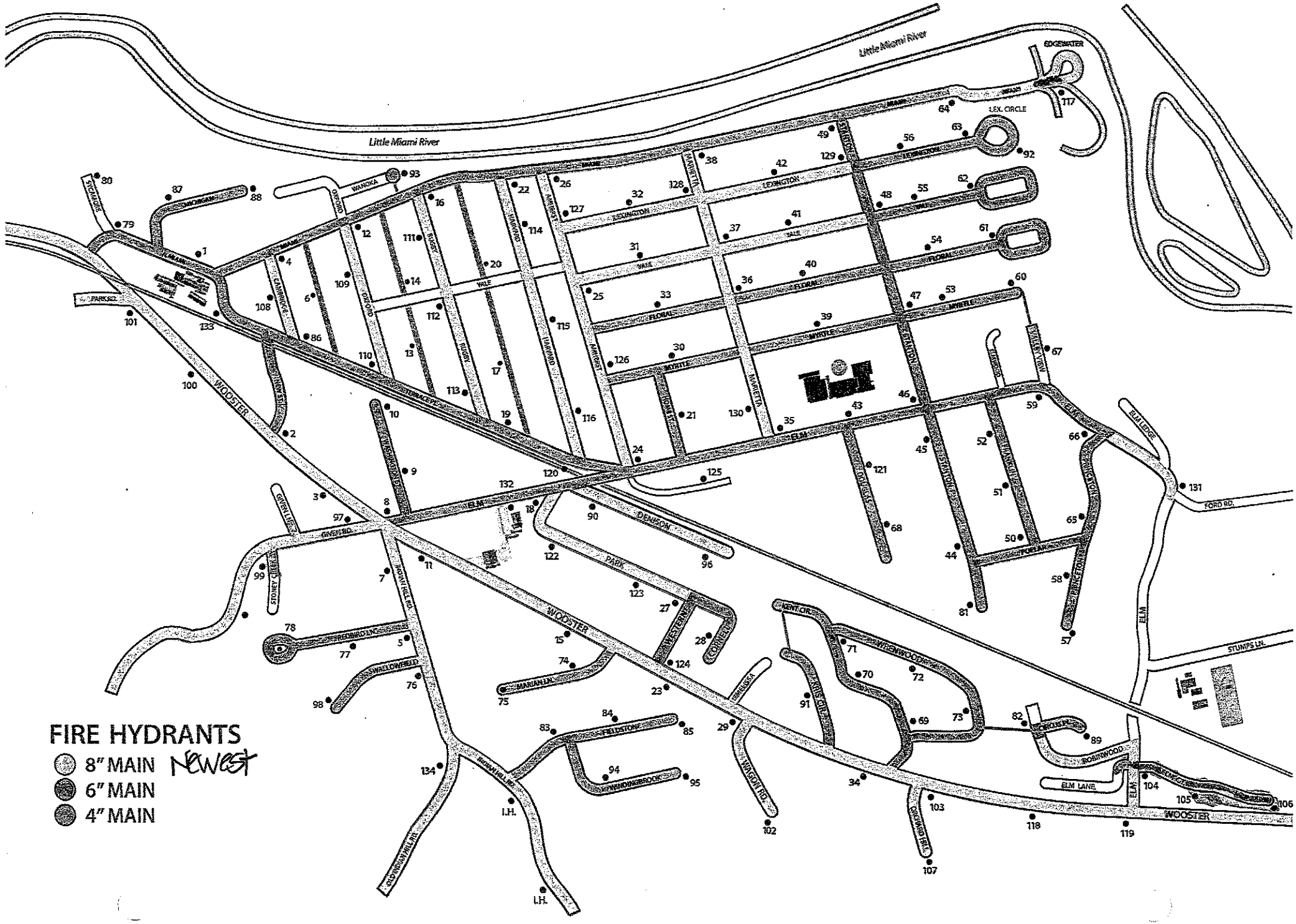
Jeff LeMay reviewed the multiple funding options:

1. **Take $100,000 out of the operating budget and use as a down payment towards a loan. We currently have this in the ARPA Fund.**
2. **State of Ohio offers zero interest loans.**
3. **Explore 50% matching Grants**

Mayor Tepe asked if a no interest loan would allow us to hold onto cash and what the timeline is on the ARPA Funds. Mr. LeMay expressed his concern over taking over another debt unless it is small one, because you never know what expense could occur or surprise us.

Mr.Lindell clarified: if our goal is to have Indian Hill Water Works take over and manage our water system we need to negotiate the current contract to clarify the following:

- **which lines they are willing to take over**


Little Miami River
Little Miami River
WOOSTER
ELM
MAIN
LEXINGTON
YALE
FLORAL
MYRTLE
MORTE
PARK RD.
GINGER HILL RD.
REDBIRD LN.
SWALLOWFIELD
FIELDSTONE
WINDINGBROOK
MARIAN LN.
PARK
DENISON
WESTERN
CORNELL
KENT CIR.
WINDWOOD LN.
ROBINWOOD
ELM LANE
STUMPS LN.
FORD RD.
ELM LEDGE
PRINCETON
PORTAGE
VALLEY VIEW
STATION
MARIETTA
HORNE ST.
ANDREW
HOWARD
RUDDY
BUCKEYE
OXFORD
CAMBRIDGE
MORGAN
WANOKA
EDGEWATER
LEX. CIRCLE
SYCAMORE
I.H.
I.H.
OLD INDIAN HILL RD.
INDIAN HILL RD.
STONEY CREEK
GINGER HILL
RICHMOND HILL
ORCHARD HILL
RICHMOND HILL
NORTON RD.
SHERWOOD
FIRE HYDRANTS
8" MAIN Newest
6" MAIN
4" MAIN

CONTRACT

THIS AGREEMENT, made and entered into this 29th day of May, 2000, by and between THE VILLAGE OF INDIAN HILL, OHIO, (hereinafter called "Indian Hill"), and the VILLAGE OF TERRACE PARK, OHIO, (hereinafter called "Terrace Park"), for the sale of water by Indian Hill to Terrace Park and its residents;

WITNESSETH: That,

WHEREAS, Council of Indian Hill owns and operates a water works system for the supply of water to its residents, and others within the area of its distribution system upon proper contract therefor; and

WHEREAS, Terrace Park desires to contract with Indian Hill for the supply of water to its residents and Indian Hill has agreed to supply Terrace Park and its residents with water, as aforesaid, from the surplus of water of its system; and

WHEREAS, the General Code of Ohio, authorizes a contract between municipalities for such purposes, and Indian Hill and Terrace Park desire to set forth the terms and conditions of a contract to accomplish the foregoing;

NOW, THEREFORE,

Indian Hill, by its Manager, and Terrace Park, for itself and for and behalf of its residents, by its Mayor, both of said officers being duly authorized by ordinances of the respective Councils, agree as follows:

1.) Indian Hill agrees to supply Terrace Park, for its public uses, and to the residents of Terrace Park, for their private uses, potable water of a hardness substantially equivalent to that received by Indian Hill residents, in quantities demanded by Terrace Park and its residents, and at rates hereinafter specified.

2.) Terrace Park agrees that all additions to its distribution system, including the installation of new fire hydrants, shall be constructed, installed and caused to be paid for in accordance with the "Operating Code of the Department of Water Works of the Village of Indian Hill," duly established by the Council of Indian Hill, as amended from time to time, and also in accordance with the "Engineering and Plumbing Requirements" promulgated by the Superintendent of Water Works Department of Indian Hill, dated June 1, 1949, as revised and amended from time to time.

All such installations may be inspected and shall be approved by Indian Hill prior to any use thereof.

A plan of the existing distribution system of Terrace Park is attached hereto, marked "Exhibit A", and made a part hereof.

Except as noted on Exhibit "A", Indian Hill shall not be obligated to supply water under the terms hereof beyond the present corporate limits of Terrace Park as they now exist.

3.) Ordinary repairs and minor replacements to the distribution system of Terrace Park shall be performed and paid for by Indian Hill. Major repairs and major replacements, including the replacement of existing fire hydrants, shall be performed by Indian Hill, but caused to be paid for by Terrace Park, in accordance with its Rules and Regulations. Major repairs and major replacements, including fire hydrants, shall be construed as projects exceeding $5,000.00 in value. All water main relocations shall be performed by Indian Hill, but caused to be paid for by Terrace Park, in accordance with Indian Hill Water Works Rules and Regulations.

4.) Indian Hill shall read all meters, prepare and mail bills to the users, and shall collect bills. All bills for water used shall be due and payable on or before the date noted on the bills and, in case of failure to pay bills, Indian Hill may act in accordance with the procedures set up in the said "Operating Code of The Department of Water Works of The Village of Indian Hill."

5.) Water consumed by Terrace Park and its residents shall be paid for at the rates set forth in said "Operating Code of The Department of Water Works of The Village of Indian Hill."

Indian Hill represents that the rates set forth in said "Operating Code of The Department of Water Works of The Village of Indian Hill" apply and govern the sale of water by it to its own residents.

Terrace Park agrees that the said rates provided herein may be changed during the term of this contract by ordinance duly passed by Council of Indian Hill, provided said change of rates likewise is made to apply to the residents of Indian Hill.

Terrace Park shall pay for water consumed by its municipal departments, except for water used from fire hydrants for fire purposes.

6.) Terrace Park agrees that, in case of breaks in mains, damage to the wells or water treatment plant, or pumping facilities, or in case of fires by reason of which abnormal quantities of water are used, or in case of strikes, floods or other emergencies or necessities beyond the reasonable control of Indian Hill, the water may be shut off temporarily, without notice. Failure to furnish water in such instances shall not render Indian Hill, or its agents or employees, liable in damages to Terrace Park or its residents, provided Indian Hill shall make every reasonable effort to provide interconnection with other adjacent systems which may be used in the event of such temporary shut-offs.

Terrace Park further agrees that, in the event of an emergency or catastrophe in Terrace Park, by reason of which abnormal quantities of water are used over and above reasonable and contemplated demands, Indian Hill shall not be liable for the failure to furnish water beyond said reasonable and contemplated demands.

Terrace Park agrees to hold harmless and indemnify Indian Hill for any and all losses, damages, liabilities, costs and expenses (including but not limited to attorneys' fees and expenses) paid out or incurred by Indian Hill as a result or related to any claim, action, or cause

of action against Indian Hill in any way related to, arising out of or incidental to the furnishing or non-furnishing of water to Terrace Park.

7.) Indian Hill agrees not to jeopardize the water supply of Terrace Park by any extension of its system to other territories. Indian Hill will endeavor to notify Terrace Park regarding circumstances that may affect the availability of water to Terrace Park; provided, however, that the failure to give such notice shall not give rise to a claim or cause of action by Terrace Park or any person who is supplied water by Indian Hill.

8.) This contract shall be in effect June 1, 1999, and continue for a period of ten (10) years; provided, however, that either party may secure a review of the terms hereof at the expiration of any one-year period; and provided further that either party may cancel this contract upon a one (1) year written notice to the other party. At the end of the ten (10) year period the contract will be automatically renewed for successive one (1) year periods thereafter unless the contract is terminated as provided in this agreement.

IN WITNESS WHEREOF, the Village of Indian Hill, acting by and through its Manager, as aforesaid, and the Village of Terrace Park, acting by and through its Mayor, as aforesaid, have caused their names and corporate seals to be hereunto affixed, the day and year first above written.

WITNESSES:

VILLAGE OF INDIAN HILL, OHIO

By: _____
Michael W. Burns, City Manager

VILLAGE OF TERRACE PARK, OHIO

_____ By: _____
Mayor

APPROVED AS TO FORM:

_____
Donald L. Crain, Esq., Solicitor
Village of Indian Hill, Ohio

_____
Robert P. Malloy, Esq., Solicitor
Village of Terrace Park, Ohio

26396.02

Sent: Thursday, February 16, 2023 11:39 AM
To: Jeff LeMay <lemay@terracepark.org>
Cc: Gerald E. Hayhow <hayhow@terracepark.org>
Subject: Re: Recap of meeting with Jason from Indian Hill Water
Information:

- TP has approximately 21 miles of water lines
- Only 1 mile (5%) of these are considered "new" and maintainable by IH Water under an agreement (to be pursued)
- Upwards of 80% of our water lines were installed in the 50's and 60's. These water lines are "good". We don't have a crisis but....
- Effective line management would have us replacing lines, hydrants, etc. at a rate of 1% - 5% a year. i.e. replace all lines, etc. over an 80 - 100 year period.
- Several of our lines are not configured efficiently (i.e. an 6" line feeding a 8", some locations do not have a "loop").
- The EPA now requires villages and cities to have a maintenance agreement.
- IH and Madeira have contractual agreements. TP has an agreement with IH which is not in practical terms operational given the majority of our water lines are not up to standard.
- If a maintenance agreement is secured with IH, it would be such that water lines that are up to standard would be maintained by IH. Those not at standard would be maintained by TP. Over time, presumably, IH would assume an increasing % of water lines as they are improved.
- A very rough estimate to replace lines is $150/foot. Cost to replace all TP lines over time would be $16.6KK
- Madeira maintains a $500K fund for water line maintenance and improvement managed by IH. This fund is populated via % water bill surcharge. In addition, Madeira will be issuing bonds to support required improvements with the intent of repaying via the surcharge revenue.

Next Steps

- Convene a Public Works committee meeting to share the data, discuss options and next steps. These include
    - Confirm intent to commit work against the Elm Street line and confirm next steps and who is leading.
    - Discuss and agree on next steps regarding a water line agreement with IH
    - Discuss and agree on next steps regarding a water bill surcharge and amounts and how to inform the public as a means of funding the Elm Street line outright (or to pay off an anticipated loan) as well as to accumulate funds for future maintenance.
    - Decide principles for water bill surcharge priorities. i.e. use first to pay off Elm Street loan, $ to be used only for water, by what process will priority decisions get made, etc.

Opinion...this is a Public Works committee lead and effort. Finance has an advisory role. I will help Jerry with the State of Ohio funding effort (loan and grant).