

# EXHIBIT H

## MEMBER COMMUNITY INFRASTRUCTURE GRANT PROGRAM AGREEMENT

BY AND BETWEEN

NORTHEAST OHIO REGIONAL SEWER DISTRICT

AND

CITY OF PARMA HEIGHTS

FOR

NATHAN HALE STORMWATER BASIN PROJECT

THIS AGREEMENT ("Agreement") is entered into as of the 1<sup>st</sup> day of January, 2019 ("Effective Date"), by and between the Northeast Ohio Regional Sewer District ("District"), a regional sewer district organized and existing as a political subdivision under Chapter 6119 of the Ohio Revised Code, pursuant to the authority of Resolution No. 336-18, adopted by the District's Board of Trustees on September 20, 2018 (Exhibit "A"), and the City of Parma Heights ("Member Community"), a municipality of the State of Ohio, acting pursuant to Ordinance No. 2019-6 passed on 2/11, 2019 (Exhibit "B"). The District and the Member Community may be collectively referred to herein as "Parties."

### RECITALS:

WHEREAS, the District is interested in assisting member communities with water quality and quantity issues associated with sewer infrastructure that adversely impact human health and the environment; and

WHEREAS, Ohio law authorizes regional water and sewer districts to enter into grant agreements with political subdivisions for water resource projects; and

WHEREAS, pursuant to Ohio Revised Code Chapter 6119, generally, and Ohio Revised Code Section 6119.06(F), the District established the Member Community Infrastructure Program ("MCIP") to provide water resource project funding opportunities to member communities for sewer infrastructure projects in the District's service area; and

WHEREAS, the District issued a Request for MCIP Proposals (Exhibit "C"); and

WHEREAS, in response to the District's Request for MCIP Proposals, the Member Community, a District member community, submitted an application for Nathan Hale Stormwater Basin (the "Project" or "MCIP Project"), attached hereto as Exhibit "D;"

WHEREAS, the District has determined that the MCIP Project will address water quality and quantity issues associated with sewer infrastructure that adversely impacts human health and the environment.

NOW THEREFORE, in consideration of the foregoing, the grant to be made by the District and the mutual promises contained in this Agreement, the parties agree as follows:

**Article 1. The MCIP Project**

- 1.1 The MCIP Project. The Member Community will manage, design, procure and construct the MCIP Project, which generally consists of installation of a stormwater management basin, to reduce flooding caused during significant rainfall, which overwhelms the separate storm sewer, and to alleviate the resulting infiltration and inflow (I/I), which causes widespread sanitary sewer backups into residential and commercial properties, as set forth in Exhibit "D."
- 1.2 Performance Goal and Verification. The performance goal for the MCIP Project is set forth in Exhibit D. At the request of the District, the Member Community will provide data relevant to the project performance verification as set forth in Exhibit C. The Member Community agrees to provide the District with post-construction verification of the performance goal. Failure to do so may impact future grant awards.
- 1.3 Compliance with District's Code of Regulations. The MCIP Project shall be designed and constructed to ensure compliance with the District's Code of Regulations. The goal of the MCIP is to reduce water quality and quantity issues that impact human health and the environment associated with combined or separate sanitary and/or storm sewer infrastructure problems.
- 1.4 Permits and Approvals. The Member Community shall obtain and pay the cost of all required federal, state, and local approvals, including permits, necessary to initiate and complete the MCIP Project.
- 1.5 Affected Property Owners. The Member Community shall obtain all easements, rights of entry, and other necessary legal agreements with affected property owners to perform construction and to bind any successor in title to maintain compliance as required in this Agreement. The costs of obtaining such legal agreements are eligible for MCIP fund reimbursement, if they are part of the proposal and approved by the District.

- 1.6 MCIP Project Modifications. The Member Community shall submit requests to modify the budget, deadlines, deliverables, or other components of the Project to the District Representative for approval at least fifteen (15) business days prior to the execution of the modification. Any modification to the MCIP Project must be approved by the District Representative in writing.
- 1.7 Photographs of MCIP Project. The District shall have the right to observe, monitor, inspect, and photograph the MCIP Project at any and all stages of design and construction, as well as post-construction.

**Article 2. Design and Construction of the MCIP Project**

- 2.1 District Review of Design Work. The Parties agree that the District shall have the right to review and comment on the final MCIP Project design plans prior to construction. The Member Community shall submit the final MCIP Project design plans to the District Representative in a timely manner that provides the District with at least fifteen (15) business days to review. Any modification to the MCIP Project must be submitted to the District Representative in writing.
- 2.2 MCIP Project Meetings. The District shall have the right to attend all MCIP Project progress meetings and shall receive at least five (5) business days advance notice of all such meetings.
- 2.3 Member Community to Bid and Construct MCIP Project. After the District's review of the MCIP Project design in accordance with Article 2.1 above, the Member Community shall bid and complete the construction work pursuant to the final MCIP Project plans and specifications and in accordance with all applicable laws and regulations. The Member Community shall be responsible for construction procurement, supervision, and inspection in accordance with the terms of this Agreement. The Member Community shall provide the District Representative a copy of the awarded bid.
- 2.4 Construction Schedule. The District shall have the right to review and provide written comments to the proposed MCIP Project construction schedule, prior to the selected contractor beginning field activities.
- 2.5 Pre-Construction and Construction Meetings. The District shall have the right to attend all pre-construction and construction meetings with the MCIP Project contractor. The Member Community shall notify the District Representative, in

**Article 5. Public Participation and Outreach**

- 5.1 Educational Signage and Public Outreach. The Member Community shall coordinate any educational signage and any public outreach with the District. The Member Community shall acknowledge the District on MCIP Project related outreach communications and in public meetings that discuss the MCIP Project.
- 5.2 District Right to Reject. The District reserves the right to reject any signage, related to the MCIP Project.

**Article 6. Project Schedule and Warranty Period.**

- 6.1. Project Schedule. The MCIP Project schedule shall be as set forth in the Project Schedule and Budget Section of Exhibit "D." Any change to the Project schedule must be approved in writing by the District Representative.
- 6.2 MCIP Project Warranty. The Member Community's construction agreement shall require the contractor to provide a minimum of a one (1) year warranty period that commences upon final completion of the MCIP Project construction ("Warranty Period"). Prior to the conclusion of the Warranty Period the Member Community shall perform a CCTV inspection of the installed Project, if applicable, and provide a report to the District.

**Article 7. Term.**

- 7.1 Term. This Agreement shall begin on the date first above written and expire upon successful completion of the obligations contained herein.

**Article 8. Insurance.**

- 8.1 Insurance. The Member Community shall require MCIP Project consultants and contractors to name the Northeast Ohio Regional Sewer District as an Additional Insured for general liability, automobile liability, and property liability insurance coverages.

**Article 9. Dispute Resolution.**

- 9.1 Continuation of Obligations. The Parties shall continue the performance of their obligations under this Agreement notwithstanding the existence of a dispute. The District reserves the right to deposit District Funds in an escrow account until the dispute is resolved.

9.2 Designated Representatives. The Parties shall first try to resolve the dispute at the level of the designated representatives as follows:

| District Representatives       | Member Community Representatives |
|--------------------------------|----------------------------------|
| Director of Watershed Programs | City Engineer                    |

If the Parties are unable to resolve the dispute at that level within ten (10) working days, the Parties shall escalate the dispute to the following level to resolve the dispute:

| District Representatives                       | Member Community Representatives |
|--|----------------------------------|
| District Chief Legal Officer or CLO's designee | Director of Public Service       |

9.3 Mediation. If the Parties remain unable to resolve the dispute within an additional ten (10) working days, the Parties shall proceed to mediation upon request by either party. The Parties shall mutually select a mediator who is experienced in public utility infrastructure engagements. The mediator shall review all documents and written statements, in order to accurately and effectively resolve the dispute. The mediator shall call a meeting between the Parties within ten (10) working days after the mediator appointment, which meeting shall be attended by at least the respective representatives in Article 9.2 above. The Parties shall attempt in good faith to resolve the dispute. The Parties agree to follow the Uniform Mediation Act, Chapter 2710 of the Ohio Revised Code. The Parties shall share the cost of the mediator equally.

9.4 Mediation Resolution. Such mediation shall be non-binding between the Parties and, to the extent permitted by law, shall be kept confidential. If the dispute is resolved and settled through the mediation process, the decision will be implemented by a written agreement signed by both Parties. If the dispute is unable to be resolved through mediation, the Parties agree to submit the dispute to the appropriate jurisdiction as per Article 10, Remedies, below.

**Article 10. Remedies.**

10.1 Remedies and Ohio Law. The Parties agree that, after exhausting the dispute resolution process outlined above, all claims, counterclaims, disputes and other matters in question between the Parties arising out of or relating to this Agreement, or the breach thereof, will be decided at law. This Agreement shall be governed by and interpreted according to the law of the State of Ohio. A party may file a lawsuit in a court of competent jurisdiction in Cuyahoga County, Ohio.

**Article 11. Notifications.**

11.1 Points of Contact. The Parties hereby designate the following individuals to serve as the primary points of contact under this Agreement:

| District Representative         | Member Community Representative |
|---------------------------------|---------------------------------|
| Watershed Funding Administrator | City Engineer                   |

**Article 12. Release of Liability.**

12.1 Release of All Liability. The Parties understand and agree that the District has no responsibilities or interest in the MCIP Project with respect to ownership, operation and maintenance and is acting solely as a funding source. The Member Community hereby releases the District from all liability related to the grant funding provided by the District hereunder. The Member Community further releases the District from all liability for: (i) the design, construction, implementation, operation, maintenance, and inspection of the Member Community's MCIP Project; (ii) any damages to third parties caused by the design, construction, implementation, operation, maintenance, inspection and every other aspect of the Member Community's MCIP Project; (iii) any defective performance of the Member Community's MCIP Project by the Member Community and/or its agents; and (iv) any damages caused by malfeasance or misfeasance of the grant funds by the Member Community.

**Article 13. Miscellaneous.**

13.1 Limit of Commitment. This grant is made with the understanding that the District has no obligation to provide other or additional support, including maintenance of the Member Community's MCIP Project. This grant does not represent any commitment to, or expectation of, future support, including maintenance of the Member Community's MCIP project from the District.

- 13.2 Disclaimer of Joint Venture. This Agreement is not intended to create a joint venture, partnership or agency relationship between the Parties, and such joint venture, partnership, or agency relationship is specifically hereby disclaimed.
- 13.3 Authority to Execute. Each person executing this Agreement represents and warrants that it is duly authorized to execute this Agreement by the party on whose behalf it is so executing.
- 13.4 Counterpart Signatures. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but which counterparts when taken together shall constitute one Agreement.
- 13.5 Modification of Agreement. This Agreement may only be modified by written instrument executed by each party.
- 13.6 Merger Clause. This Agreement, along with any exhibits attached hereto, encompasses the entire agreement of the parties, and supersedes all previous understandings and agreements between the parties, whether oral or written.
- 13.7 Binding on Successors. This Agreement is binding upon, and inures to the benefit of, the parties and their respective permitted successors and assigns.
- 13.8 Prohibition on Assignment and Subcontracting. The Member Community may not assign or subcontract its rights or duties under this Agreement, in whole in part, whether by operation of law or otherwise, without the prior consent of the District. Consent may be withheld for any reason or no reason. Any assignment or subcontract made in contravention of the foregoing shall be void and of no effect.
- 13.9 Severability. If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid, in whole or in part for any reason, such provision shall be stricken from this Agreement and such provision shall not affect the validity of the remainder of this Agreement.
- 13.10 Headings. The headings in this Agreement are included for convenience only and shall neither affect the construction nor the interpretation of any provision in this Agreement.
- 13.11 Relationship of Agreement to Exhibits. The exhibits to this Agreement are attached for reference purposes only. Nothing in this Agreement shall be construed to modify, alter, clarify, or give effect to the terms and conditions of the various exhibits attached to this Agreement.

**Article 14. Exhibits.**

It is mutually understood and agreed that all Exhibits attached hereto are made a part hereof as if fully written herein. In the case of any conflict or variance between the terms of this Agreement and the terms of referenced documents, the terms of this Agreement shall govern.

The following Exhibits attached hereto are hereby incorporated with and made a part of this Agreement:

Exhibit "A" -- District Resolution

Exhibit "B" -- Member Community's Authorizing Ordinance

Exhibit "C" -- Request for MCIP Proposals

Exhibit "D" -- Member Community's MCIP Application

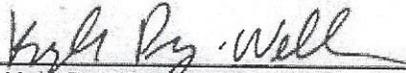
Exhibit "E" - Member Community's Certification of Funds

Exhibit "F" -- MCIP Policy, Process, and Procedures

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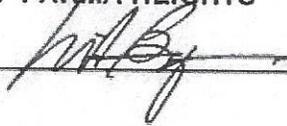
The parties hereto have executed and delivered this Agreement as of the date first above written.

**NORTHEAST OHIO REGIONAL SEWER DISTRICT**

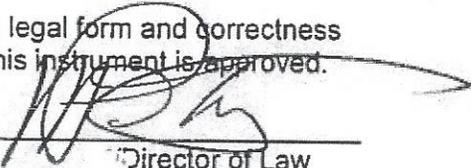
By:   
Kyle Dreyfuss-Wells  
Chief Executive Officer

and:   
Darnell Brown, President  
Board of Trustees

**CITY OF PARMA HEIGHTS**

By:   
Title: MAYOR

The legal form and correctness of this instrument is approved.

By:   
Director of Law  
CITY OF PARMA HEIGHTS

Date: \_\_\_\_\_, 2018

This Instrument Prepared By:  
Katarina Waag  
Assistant General Counsel  
Northeast Ohio Regional Sewer District

Each party agrees that this Agreement may be executed and distributed for signatures via email, and that the emailed signatures affixed by both parties to this Agreement shall have the same legal effect as if such signatures were in their originally written format.

NORTHEAST OHIO REGIONAL SEWER DISTRICT  
RESOLUTION NO. 336-18

-----  
 AUTHORIZATION TO ENTER INTO AGREEMENTS TO FUND THE THIRTEEN MEMBER  
 COMMUNITY INFRASTRUCTURE PROGRAM PROJECTS PRESENTED FOR 2019 IN THE TOTAL  
 AMOUNT NOT-TO-EXCEED \$7,923,571.47  
 -----

**WHEREAS**, on March 15, 2018, the Board of Trustees adopted Resolution No. 80-18, authorizing the District to implement the 2019 Member Community Infrastructure Program ("MCIP") (the "Program") and to issue a Request for Proposals (RFP) for the Program;

**WHEREAS**, the Watersheds Program Department received twenty-four (24) proposals for the Program;

**WHEREAS**, The District recommends entering into agreements with the respective grant applicants listed below in the total amount not-to-exceed Seven Million Nine Hundred Twenty-Three Thousand Five Hundred Seventy-One and 47/100 (\$7,923,571.47) and

**TABLE 1. 2019 MEMBER COMMUNITY INFRASTRUCTURE PROGRAM  
PROJECTS RECOMMENDED FOR FUNDING**

| COMMUNITY                                  | PROJECT   | FUND REQUEST   | 2019 REIMBURSEMENT    |
|--|---|----------------|-----------------------|
| Maple Heights                              | Manhole Sewer Separation  | \$599,950.00   | \$320,650.00          |
| Olmsted Falls & Olmsted Township           | Columbia & Cook Sanitary Sewer Improvements - Phase 5               | \$1,090,500.00 | \$950,000.00          |
| Garfield Heights                           | Midwest Neighborhood Storm & Sanitary Sewer Improvements - Phase 3  | \$686,124.42   | \$150,000.00          |
| Cuyahoga Heights                           | Nicky Blvd Storm Sewer Extension & Slope Stabilization Improvements | \$303,413.25   | \$200,000.00          |
| Parma Heights                              | Nathan Hale Stormwater Basin  | \$1,000,000.00 | \$1,000,000.00        |
| Pepper Pike                                | Gates Mills HSTS Conversion Project                                 | \$838,280.80   | \$419,140.40          |
| Brecksville                                | Chippewa Road Sanitary Sewer Project                                | \$1,500,000.00 | \$1,500,000.00        |
| Cuyahoga County Department of Public Works | Bagley and Cook Roads Sanitary Sewer Connections                    | \$127,500.00   | \$27,500.00           |
| Parma                                      | Broadrock Court & Old Rockside Road HSTS Abatement Project          | \$260,000.00   | \$260,000.00          |
| Walton Hills                               | Egbert Road Sanitary Sewer Force Main Replacement Project           | \$321,500.00   | \$321,500.00          |
| Parma                                      | Valley Villas, York & State HSTS Abatement Project                  | \$480,000.00   | \$480,000.00          |
| Shaker Heights                             | SSO VIBX Control Project  | \$425,000.00   | \$425,000.00          |
| Newburgh Heights                           | East 42 <sup>nd</sup> Street Combined Sewer Separation              | \$291,303.00   | \$291,303.00          |
|  | <b>Project Total</b>  |                | <b>\$6,345,093.40</b> |

**WHEREAS**, based on awarded Project schedules, Six Million Three Hundred Forty-Five Thousand Ninety-Three and 40/100 (\$6,345,093.40) is budgeted for reimbursement in 2019 and One Million Five Hundred Seventy-Eight Thousand Four Hundred Seventy-Eight and 07/100 (\$1,578,478.07) is budgeted for reimbursement in 2020;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE NORTHEAST OHIO REGIONAL SEWER DISTRICT:

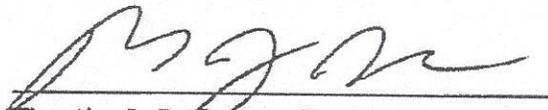
**Section 1.** That this Board hereby authorizes the District to enter into agreements with respective Program applicants listed in the preamble of this Resolution, consistent with the Member Community Infrastructure Policy, in a total amount not-to-exceed Seven Million Nine Hundred Twenty-Three Thousand Five Hundred Seventy-One and 47/100 (\$7,923,571.47), with not more than Six Million Three Hundred Forty-Five Thousand Ninety-Three and 40/100 (\$6,345,093.40) being expended in 2019 and not more than One Million Five Hundred Seventy-Eight Thousand Four Hundred Seventy-Eight and 07/100 (\$1,578,478.07) being expended in 2020.

**Section 2.** That this Board further finds that the Program serves a public purpose in that it will assist member communities with cost-effective sewer infrastructure projects to address water quality and quantity issues associated with sewer infrastructure that adversely impact human health and the environment.

**Section 3.** That this Board hereby authorizes the Chief Executive Officer, at the request of the Director of Watershed Programs, to execute all documents and do all things necessary to effectuate the terms and conditions of the agreements.

**Section 4.** That this Board declares that all formal actions of the Board concerning and relating to the adoption of this resolution and that all deliberations of the Board and any of its committees that resulted in said formal action were conducted in meetings open to the public and in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On motion of Mr. Sulik, seconded by Ms. Dumas, the foregoing resolution was adopted with abstention by Mayor Bacci and Mayor DeGeeter on September 20, 2018.

  
\_\_\_\_\_  
Timothy J. DeGeeter, Secretary  
Board of Trustees  
Northeast Ohio Regional Sewer District

# EXHIBIT B

(Insert Member Community  
Ordinance/Resolution)

ORDINANCE NO. 2019 - 6

AN ORDINANCE AUTHORIZING THE MAYOR, NUNC PRO TUNC, TO ENTER INTO A MEMBER COMMUNITY INFRASTRUCTURE GRANT PROGRAM AGREEMENT BY AND BETWEEN THE NORTHEAST OHIO REGIONAL SEWER DISTRICT (NEORS) AND THE CITY OF PARMA HEIGHTS FOR THE NATHAN HALE STORMWATER BASIN PROJECT AND DECLARING AN EMERGENCY

**WHEREAS**, the District is interested in assisting member communities with water quality and quantity issues associated with sewer infrastructure that adversely impact human health and the environment; and

**WHEREAS**, Ohio law authorizes regional water and sewer districts to enter into grant agreements with political subdivisions for water resource projects; and

**WHEREAS**, pursuant to Ohio Revised Code Chapter 6119, generally, and Ohio Revised Code Section 6119.06(F), the District established the Member Community Infrastructure Program ("MCIP") to provide water resource project funding opportunities to member communities for sewer infrastructure projects in the District's service area; and

**WHEREAS**, the District issued a Request for MCIP Proposals; and

**WHEREAS**, in response to the District's Request for MCIP Proposals, the City of Parma Heights, a District member community, submitted an application for the Nathan Hale Stormwater Basin (the "Project" or "MCIP Project"); and

**WHEREAS**, the District has determined that the MCIP Project presented by the City of Parma Heights will address water quality and quantity issues associated with sewer infrastructure that adversely impacts human health and the environment.

**NOW THEREFORE, BE IT ORDAINED** by the Council of the City of Parma Heights, County of Cuyahoga and State of Ohio:

Section 1. The Mayor is authorized and directed, nunc pro tunc to execute on behalf of the Municipality a Community Infrastructure Grant Program Agreement by and between the Northeast Ohio Regional Sewer District (NEORS) and the City of Parma Heights for the Nathan Hale Stormwater Basin Project which is attached as Exhibit A and incorporated herein, as if fully rewritten.

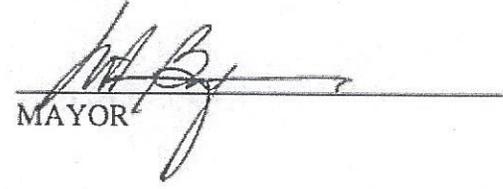
Section 2. This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council and that all deliberations of the Council and of any or its Committees comprised of a majority of the members of the Council that resulted in those formal actions were in meetings open to the public, in compliance with the law.

Section 3. This Council declares this Ordinance to be an emergency measure for the immediate preservation of the public health, peace and safety of this municipality and for the further reason that it is immediately necessary to enter into said Agreement to address water

quality and quantity issues associated with sewer infrastructure that impacts human health and the environment; wherefore, it shall be in full force and effect immediately after its passage by council and approval of the Mayor.

PASSED: 2-11-2019   
PRESIDENT OF COUNCIL

ATTEST: Florence A. Borden 2-11-2019  
CLERK OF COUNCIL APPROVED

FILED WITH  
THE MAYOR: 2-11-2019   
MAYOR

**EXHIBIT C**



## Northeast Ohio Regional Sewer District

### Northeast Ohio Regional Sewer District 2019 Member Community Infrastructure Program Request for Proposals March 2018

#### **Introduction**

The Northeast Ohio Regional District (District) through the Member Community Infrastructure Program (MCIP) will fund local communities to address water quality and quantity issues associated with sewer infrastructure that adversely impacts human health and the environment.

The District will provide funding for up to 75% of project costs. The MCIP funds will be provided by the District on a reimbursement basis directly to the community based on MCIP project costs, conditioned on the District's prior approval of the design and construction of the project.

The District will determine the appropriate funding mechanism, grant, or community operating lease, during project evaluation. Determination of the funding mechanism for the project will be at the discretion of the District. Refer to the MCIP Policy for additional background and information on the funding mechanism.

#### **Eligible Projects**

Eligible projects include, but are not limited to the following:

- **Projects to Mitigate SSOs and Illicit Discharges:** Projects necessary to mitigate separate sanitary sewer overflows (SSO) and illicit discharges.
- **Projects to Mitigate I/I:** Projects necessary to address inflow and infiltration (I/I) problems, including but not limited to, rehabilitation of common trench pipes and manholes, removal of direct inflow connections, repair, or replacement of cracked or exfiltrating combined, sanitary or storm sewers, and reduction of public and private sources of I/I.
- **Projects to Remove/Eliminate Failing Home Sewage Treatment Systems (HSTS):** Projects to construct new separate sanitary sewers to eliminate failing HSTSs. HSTS failure should be confirmed by the jurisdictional Board of Health.
- **Projects that Improve Local Sewer System Level of Service:** Projects that reduce local sewer flooding and backups in the local system that can be attributed to undersized or structurally deficient local sewers. Such projects include efforts to address basement flooding in separate and combined sewer systems, and to the extent practical, on-site stormwater management practices to mitigate the increase in downstream flows.
- **Projects to Manage Stormwater Flow that Improve Combined/Sanitary Level of Service:** Projects that reduce volume, flow rate, or pollutant load of stormwater to a combined sewer, separate storm sewer, and/or directly to receiving water body that improve a combined or sanitary sewer level of service.

To ensure project eligibility, communities should schedule a pre-proposal meeting prior to submitting a proposal. Details on scheduling a pre-proposal meeting are found under Pre-Proposal Meeting section of this document.

### **Ineligible Projects**

MCIP funds should not be used for any project that causes, accelerates, or contributes to water quality and quantity issues, flooding, and erosion, or is otherwise detrimental to human health within the District's service area. Ineligible projects include, but are not limited to the following:

- The proposal of fill materials in floodplains, riparian areas or wetlands, and the culverting or channelizing of watercourses;
- Capital, operation, maintenance, and administrative expenses not directly related to an eligible project; and
- Projects that increase the potential for flooding within a community and/or neighboring community's combined, sanitary, or storm sewer systems or local watercourses.

### **Project Requirements**

To be considered for funding, projects at a minimum must meet the following requirements:

- Reduce water quality and quantity issues that impact human health and the environment associated with combined or separate sanitary infrastructure problems, as determined by the community or the District.
- Be located in the District's sanitary sewer service area (<http://arcg.is/2bPxzEt>).
- Meet all applicable District, federal, state, and local regulations.
- Be completed within 24 months of a signed MCIP Project Agreement. The District will consider projects that may go beyond 24 months, but should be discussed with District at a pre-proposal meeting.
- Include at least 25% non-District funds dedicated to the project. These funds may include cash and/or in-kind sources. For example, costs associated with a road rehabilitation project for which the MCIP will provide funding for the sanitary or combined sewer replacement may be captured as non-District funds. In addition, the following project costs may be captured to meet this 25% requirement:
  - Personnel: Labor costs for employees of the community related to the direct performance of engineering and design, construction services, project management, and performance verification on the project.
  - Fringe Benefits: Costs for such items as healthcare, dental care, life insurance, retirement and other standard benefits provided to employees of the community related to the direct performance of the project.

- Planning and design costs directly related to the project that were incurred prior to the submittal of a project proposal.

All funds must be approved as eligible by the District for the 25% requirement. Communities should contact the District's Watershed Funding Administrator to assess if the funding source is eligible.

The District, at its sole discretion, may waive the 25% requirement for a community identified by the Office of the Auditor of the State of Ohio as being a local government in fiscal distress. This includes a community in fiscal caution, watch or emergency as defined by the Office of the Auditor of the State of Ohio (<https://ohio.auditor.gov/fiscal/local.html>).

#### **Terms of Grant Funding**

The MCIP is a reimbursement grant and payment will be made only on project-specific invoices as referenced in the approved project budget. If the project for which you are applying is part of a larger construction project, the District will require individual, itemized, and verified invoices to support reimbursement. Refer to the District's MCIP Policy, Process, and Procedures document for additional information on reimbursement.

Costs associated with services provided by third-parties towards the project, including technical services such as engineering and design, construction services, project management, performance verification, testing and inspection, and/or other direct costs as approved by the District, are eligible for grant funding. Indirect costs allocations are not eligible for reimbursement.

#### **Project Performance Verification**

The District will require project performance verification to demonstrate that the project is functioning as intended and meeting the stated performance goals. Verification may include reporting, pre- and post- construction monitoring, sampling, and/or modeling depending on the type of project. Monitoring may include flow monitoring, dye or smoke testing, video-taping, and/or other methods depending on the project. Modeling shall mean the modeling of pre-construction and post-construction conditions for the project. Communities should include their anticipated method(s) of project verification in the proposal and should include the costs for project performance verification in the proposal.

For I/I reduction or elimination projects the District will require pre- and post-construction flow monitoring and evaluation, which may include pre- and post-construction modeling, to verify I/I reduction.

For projects focused on illicit discharge and HSTS elimination, the District will require pre-construction sampling data be provided that adequately demonstrates the contribution of pollutant loading resulting from the illicit discharge(s) or failing HSTS in the proposal. Pre-construction sampling should indicate elevated pollutant levels. Post-construction verification should consist of sampling from the same locations used for pre-construction sampling, as feasible.

The District may require modeling to demonstrate that no negative impacts will occur as a result of the proposed project. The District will make this decision based on the proposal. If the project is selected for funding, the community will have sufficient time to develop a verification plan.

**Flow Monitoring Guidelines**

The following guidelines are to be used with developing the pre- and post-construction monitoring plan for the proposed project. In general, a flow monitor should be located at the downstream end of each street in the project area and, if there is an upstream flow contribution outside of the project area, another flow monitor should be placed at the upstream end. Pre- and post-construction monitoring should occur in the same locations. If requested, the District can provide assistance on locating flow monitors. The community should identify their proposed flow monitoring locations in their proposal.

A three-month duration is recommended for both pre- and post-construction flow monitoring, or until three storms that meet either of the following criteria are captured.

- Rain event meets or exceeds a depth of 0.2 inches AND an intensity of 0.25 inches/hour
- Rain event total is between 0.75 to 1.5 inches

Data collected should include, but is not limited to, flow depth, velocity, and flow rate, and recorded in 5-minute intervals. The community should identify any alternative plan in their proposal.

The data collection over the monitoring periods should be continuous. Unexplained flow metering data gaps or erroneous data spanning greater than 4 consecutive days will require an additional week of flow monitoring be performed to meet the minimum duration in the absence of three qualifying storms as described above.

In the case where pre-construction flow monitoring has already been completed, the community should submit in their proposal the monitor locations and data collected for review by the District to support the scoring of the project's benefits. The District may supplement the pre-construction flow monitoring with additional locations at the District's cost, which will also require additional locations for post-construction flow monitoring. If this is the case, the District will coordinate with the community.

**Project Evaluation**

The District will review and prioritize proposed projects for available funding based on the following criteria:

**1. Infrastructure Condition (30%)**

The current and actual condition of the structure using the condition descriptions defined in Table 1. Information that expands on the description should be provided with the proposal to assist with the scoring of this category. This may include but is not limited to: condition assessments, quantification of I/I, identification of broken pipes and/or combined or separate sewer overflows, televised underground system inspection reports, age inventory reports and maintenance records, and any additional information that may impact the evaluation of the infrastructure condition. If available, condition assessments should be provided in accordance with NASSCO's Pipeline and Manhole Assessment and Certification Program (PACP and MACP). NASSCO condition is recommended. Only provide a high-level summary spreadsheet that details the sewer systems condition.

**Table 1. Rating System for Infrastructure Condition.**

| Condition Rating | Description   | Score |
|------------------|---|-------|
| Failed           | Complete reconstruction needed – existing infrastructure is unsalvageable and/or a PACP/MACP condition scores above 4.            | 30    |
| Critical         | Major reconstruction needed to maintain integrity, and/or A PACP/MACP condition scores above 4.                                   | 24    |
| Poor             | Partial reconstruction or extensive rehabilitation required to maintain integrity, and/or PACP/MACP condition scores between 3-4. | 18    |
| Fair             | Major rehabilitation needed to maintain integrity, and/or a PACP/MACP condition scores between 2-3.                               | 12    |
| Good             | Routine maintenance and periodic repairs required to maintain integrity, and/or a PACP/MACP condition scores between 1-2.         | 6     |
| New              | New infrastructure, and/or a PACP/MACP condition scores between 0-1.  | 0     |

For projects proposing to remove/eliminate failing HSTS the infrastructure condition will be assessed using Table 2. Information that expands on the description should be provided with the proposal to assist with the scoring of this category.

**Table 2. Rating System for Home Sewage Treatment System Projects**

| Age of HSTS        | Score |
|--------------------|-------|
| 20 years or older  | 30    |
| 19-16 years old    | 24    |
| 15-11 years old    | 18    |
| 10-7 years old     | 12    |
| 6 years or younger | 6     |

**NOTE:** Projects proposing to remove/eliminate failing HSTS must provide documentation that the area the Municipality is targeting is part of an approved prescription of the Municipality's 208 Plan, or a feasibility study for removal has been completed, or a letter and/or agreement with the residents for the sanitary sewer assessment has been executed.

2. **Water Quality and Quantity Impacts on Human Health and the Environment (30%)**  
Demonstrate the effects of the project on water quality and quantity. Responses should be formulated that provide clarity to the following questions:
- What is the frequency and/or magnitude of the problem?
  - What is the direct human health or environmental impact?
  - What is the impact on houses and/or businesses, and number of users within the sewershed?
  - How will the proposed project eliminate or reduce the water quality/quantity impact?

Information that verifies and quantifies the water quality and quantity issues should be provided with the proposal and appropriately referenced within the response (e.g.; page or document reference). Examples of project type and corresponding, supporting evidence include but are not

limited to the following:

- HSTS /Illicit Discharge Elimination
  - Findings & Orders (e.g. Board of Health, EPA)
  - Sampling data supporting water quality deficiency issues (e.g. E. Coli, Pollutant Load)
  - Mandates citing deficiencies
  - Documentation of failing HSTS
- Basement Flooding
  - Documentation of reported flooding events such as household surveys, call logs with event dates, modeling results (hydraulic grade line)
- CSO/SSO
  - Monitoring results
  - Modeling results (Overflow volume, number of activations, dates)
  - Sampling data supporting water quality deficiency issues (e.g. E. Coli, Pollutant Load)
- I/I Reduction or Elimination
  - Dye testing
  - Smoke testing

Table 3. Rating System for Water Quality/Quantity Impacts

| Water Quality and Quantity Impacts on Human Health and the Environment |   |                                       |   |
|--|---|---------------------------------------|---|
| <i>Criteria</i>  |   |                                       |   |
| Example Project Type   | Description   | Score Range                           |   |
|  |   | Low                                   | High  |
| HSTS Removal, Illicit Discharge Elimination                            | Removal of a continuous source of water quality impairment during wet and dry weather           | 11<br>< 40 units                      | 20<br>> 200 units                                       |
| Basement Flooding  | Reducing intermittent and direct water quality impairments to human health and private property | 11<br><10                             | 20<br>> 20  |
| CSO/SSO Elimination  | Removal of wet weather source of water quality impairment                                       | 6<br><i>Unknown effect of project</i> | 10<br><i>Modeled quantity and/or multiple locations</i> |
| I/I Reduction  | Conserving capacity in the CS/SS system   | 1-5                                   |   |
| <i>Documentation</i>   |   |                                       |   |
| Problem(s) is/are verified through documentation                       |   | 1-10                                  |   |

**3. Project Provides Source Control of Stormwater (15%)**

Project demonstrates source control of stormwater by preventing stormwater from entering the combined or separate sanitary sewer system through removal or detention. To be considered for points under this criterion, the community will have to show reduction or control of stormwater entering the combined or separate sanitary sewer system using stormwater control measures such as disconnection, detention, or other innovative practices.

**Table 4. Rating System for Source Control of Stormwater**

| Source Control of Stormwater  |       |
|---|-------|
| Description   | Score |
| Removal of stormwater from combined or sanitary system and managed by a water quality and quantity (critical storm) Stormwater Control Measure (SCM)<br><i>(ex: bioretention, detention, filtering, slow release)</i> | 15    |
| Control of stormwater prior to discharging into the combined or sanitary system through a water quantity (critical storm) SCM<br><i>(ex: detention and slow release)</i>  | 10    |
| Removal of stormwater from combined or sanitary system<br><i>(ex: removing improper sanitary lateral from storm sewer and reconnecting to sanitary sewer)</i>   | 5     |

**4. Project Provides a Significant Benefit to the District (15%)**

Demonstrate the benefits of the project to the District. Benefits include but are not limited to projects that are in compliance with a District community discharge permit, reduce flows to District infrastructure for conveyance and treatment, reduce infrastructure flooding, expand water quality benefit to new District customers, are recommended by a District study, and/or improve water quality in area waterways to compliment the District's ongoing programs, such as Project Clean Lake Program or Regional Stormwater Management Program.

**5. Non-District Project Funding (10%)**

One point will be provided for meeting the minimum requirement of 25%. If the District waives this requirement for a community in fiscal distress as discussed under Project Requirements in the Request for Proposals, the proposal will be awarded one point. Proposals must provide documentation of funding sources.

**Table 5. Non-District Project Funding Scoring System**

| % of Non-District Funds | Score |
|-------------------------|-------|
| 25                      | 1     |
| 26-28                   | 2     |
| 29-31                   | 3     |
| 32-34                   | 4     |
| 35-37                   | 5     |

|       |    |
|-------|----|
| 38-40 | 6  |
| 41-43 | 7  |
| 44-47 | 8  |
| 48-49 | 9  |
| 50-99 | 10 |

**6. Design Complete (5 extra points)**

Five extra points will be added to the overall project score if the design is complete and ready for bidding at the time of proposal submittal.

**Pre-proposal Meeting**

District staff will provide an opportunity to meet with applicants to discuss projects prior to submission. Meetings will be scheduled between April 30, 2018 to May 11, 2018. Please contact the District's Watershed Funding Administrator by close of business on April 25, 2018 to schedule a meeting.

PLEASE NOTE— you must schedule for these meetings, walk-ins will not be accommodated.

**Timeline and Submission**

Complete proposals must be submitted *electronically in PDF format and sent as one document*. The District must receive submissions by close of business on June 18, 2018. Anticipate a notice of proposal receipt within 2 business days of submission.

The District will not review incomplete proposals. If a proposal is determined to be incomplete, the community will have 5 business days, from the date of email notification, to submit the necessary information to complete the proposal.

**Direct pre-proposal meeting requests, submissions, and questions to the Watershed Funding Administrator:**

Linda Mayer

440- 253-2147

[mayerl@neorsd.org](mailto:mayerl@neorsd.org)

**Awards**

Award selection and announcements are anticipated by September 2018. Awards are contingent on funding availability. The District is under no obligation to fund any MCIP request.

Member Community Infrastructure Program  
Project Proposal

| Applicant Information       |  |
|-----------------------------|--|
| Applicant                   |  |
| Co-Applicant                |  |
| Project Contact Information |  |
| Name                        |  |
| Address                     |  |
| Phone Number                |  |
| Email Address               |  |

| Project Information                      |  |
|--|--|
| Project Name                             |  |
| Project Location (Attached Location Map) |  |
| Fund Request (\$)                        |  |
| Non-District Funds (\$)                  |  |
| % Non-District Funds                     |  |
| Project Start Date                       |  |
| Project End Date                         |  |

| Project Funding Request - Identify what the District funds will support (check all that apply)   |  |
|--|--|
| <input type="checkbox"/> Construction*   |  |
| <input type="checkbox"/> Design and Construction**   |  |
| * Provide documentation that shows funding has been secured for project construction and when the construction will start and be completed.  |  |
| ** Provide documentation that shows funding has been secured for the project design and construction and when design will be completed and construction will start and be completed. |  |

| Authorized Signature |  |
|----------------------|--|
| Printed Name         |  |
| Signature            |  |
| Date                 |  |

Complete the following sections of the Proposal as directed. Review the Project Evaluation section of the Request for Proposals detailed information on what is expected for each category.

#### **Project Description**

Attach reports, plans, and maps as needed to explain the project with a summary of any attachment within the project description. Limit description to 1,000 words.

*Important information that may assist in characterizing the project includes but is not limited to:*

- *Project maps, displaying the location of any infrastructure being rehabilitated or reconstructed.*
- *Detailed description of the type of infrastructure being rehabilitated or replaced (e.g. common trench over/under, common trench dividing wall, separate trench) and what the infrastructure will be replaced with (if applicable).*
- *Map of tributary area, with approximate tributary area stated in acres.*
- *All project evaluation reports, photographs, or other information that may help the District quantify water quality issues.*
- *In an HSTS project, identify if the failing septic system is also classified as an illicit discharge per Ohio EPA definition.*
- *If the scope of the project includes illicit discharge elimination or HSTS removal, provide the number of units being eliminated.*

Project Description continued...

**Infrastructure Condition**

Detail the structural deficiencies of the infrastructure.

1. Check the Box that most accurately reflects the current and actual condition of the structure using the condition descriptions defined below, or select the Box that reflects the age of home sewage treatment systems being removed/eliminated.

| Condition Rating                  | Description  |
|-----------------------------------|--|
| <input type="checkbox"/> Failed   | Complete reconstruction needed – existing infrastructure is unsalvageable and/or PACP/MACP condition scores above 4.             |
| <input type="checkbox"/> Critical | Major reconstruction needed to maintain integrity and/or PACP/MACP condition scores above 4.                                     |
| <input type="checkbox"/> Poor     | Partial reconstruction or extensive rehabilitation required to maintain integrity and/or PACP/MACP condition scores between 3-4. |
| <input type="checkbox"/> Fair     | Major rehabilitation needed to maintain integrity and/or PACP/MACP condition scores between 2-3.                                 |
| <input type="checkbox"/> Good     | Routine maintenance and periodic repairs required to maintain integrity and/or PACP/MACP condition scores between 1-2.           |
| <input type="checkbox"/> New      | New infrastructure and/or PACP/MACP condition scores between 0-1.  |

| Age of HSTS              |                    |
|--------------------------|--------------------|
| <input type="checkbox"/> | 20 years or older  |
| <input type="checkbox"/> | 19-16 years old    |
| <input type="checkbox"/> | 15-11 years old    |
| <input type="checkbox"/> | 10-7 years old     |
| <input type="checkbox"/> | 6 years or younger |

2. Provide field verified or documented condition reports.

|                               |   |  |
|-------------------------------|---|--|
| Combined/Sanitary Sewer       | Number of sewer lines break or flooding events during the life of the sewer                                 |  |
| Home Sewage Treatment Systems | Board of Health Condition Rating  |  |
| Storm Sewer                   | Number of sewer line breaks during the life of the sewer or flooding events or number of illicit discharges |  |

3. Describe the structural deficiencies of the infrastructure. Limit description to 500 words.

**Water Quality and Quantity Impacts on Human Health and the Environment**

**Demonstrate the effects of the project on water quality/quantity. Limit text description to 1,000 words.**

1. Provide the number of users. Provide the following:

- Number of houses, or businesses that have experienced a water quality/quantity issue, and the type of issues.

Indirect users: If applicable, provide documentation and demonstrate that the project will benefit an area larger than the direct users will be given consideration.

| Type of Unit (house or business) | Unit Total | Count Year | Count Source |
|----------------------------------|------------|------------|--------------|
|                                  |            |            |              |
|                                  |            |            |              |
|                                  |            |            |              |
|                                  |            |            |              |
|                                  |            |            |              |

2. Indicate the deficiencies the project will mitigate. Check all that apply.

|                          |  |
|--------------------------|--|
| <input type="checkbox"/> | Findings/Orders/Mandates citing deficiencies or violations               |
| <input type="checkbox"/> | Flooding with structural and/or property damage                          |
| <input type="checkbox"/> | Undersized structures or structural breaks during the life of the sewer  |
| <input type="checkbox"/> | Service capacity issues  |
| <input type="checkbox"/> | Combined sewer overflows, sanitary sewer overflows or illicit discharges |
| <input type="checkbox"/> | Other  |

Water Quality and Quantity Impacts on Human Health and the Environment continued....

**Source Control of Stormwater**

**Describe how the project will provide source control stormwater. Limit description to 500 words.**

**Significant Project Benefit to the District**

Describe how the project significantly benefits the District. Limit description to 500 words.

**Performance Verification**

Provide the performance goal for the project and describe the anticipated methods for verification of the performance goal. Limit description to 1000 words.

Performance Verification continued....

**Project Schedule and Budget**

Provide a project schedule, cash flow, and budget for the project as applicable to the MCIP fund request. The budget should specify items with prices and quantities necessary for the project. Budget may include engineering services such as design, construction, project administration, construction administration, and performance verification. Do not summarize construction into one item. A construction contingency up to 10% is permitted but inflationary adjustments are not. Provide a detailed Engineer's Estimate and a Useful Life Statement with an engineer's seal or stamp and signature by a registered professional engineer in the State of Ohio.

Design Cost: \_\_\_\_\_

Design Completion Date \_\_\_\_\_ (if applicable)

Construction Cost: \_\_\_\_\_

Construction Schedule:

Start Date \_\_\_\_\_ Completion Date \_\_\_\_\_

# EXHIBIT D

# EXHIBIT E

# City of Parma Heights

6281 Pearl Road  
Parma Heights, Ohio 44130-3084  
Tel: (440) 884-9600  
Fax: (440) 884-1802

## CERTIFICATION

It is hereby certified that the amount required to meet the contract, agreement, obligation, payment or expenditure, for the above, has been lawfully appropriated or authorized or directed for such purpose and is in the Treasury or in process of collection to the credit of the fund free from any obligation or certification now outstanding.

Terrence A. Heiney  
DIRECTOR OF FINANCE

Date: 2/12/19

# EXHIBIT F



## MEMBER COMMUNITY INFRASTRUCTURE PROGRAM POLICY

The Member Community Infrastructure Program (MCIP) is a funding program provided by the Northeast Ohio Regional Sewer District (District) to assist both member communities and other eligible political subdivisions that own, operate, and maintain public sewer infrastructure that is tributary to a District wastewater treatment plant, with cost-effective sewer infrastructure projects to address water quality and quantity issues associated with sewer infrastructure that adversely impact human health and the environment.

The intent of the MCIP is to provide an annual funding opportunity to member communities and eligible political subdivisions for sewer infrastructure repair and rehabilitation that will:

- Continue progress towards environmentally sustainable and healthy communities through protection and improvement of the region's water resources consistent with the vision of the District.
- Support efforts to assist member communities' compliance with the District's Community Discharge Permit Program.
- Improve function and condition of the local sewer system.
- Identify and remove sources of inflow and infiltration (I/I) from the sewer system. This reduction will preserve the hydraulic capacity of the local and District sewer system and alleviate problems such as basement flooding.

Subject to available funding and District Board of Trustee (BOT) approval, the District anticipates funds will be available annually through a competitive process. The District will annually review the terms and conditions of the MCIP and may modify these terms and conditions based on lessons learned from previous funding rounds. There are two mechanisms for funding under the MCIP: (a) MCIP Grant or (b) a Community Operating Lease. The District will determine the appropriate funding mechanism during the application review process. Applicants do not specify a funding preference.

All available MCIP funds will be provided by the District on a reimbursement basis to the member community or other eligible political subdivision for direct project costs, conditioned on the District's prior approval of the project and member community or eligible political subdivision compliance with this Policy and the District approved Project Agreement. Funds must be used in accordance with the authorized amount indicated. Any funds not expended for the purposes agreed to by the member community or eligible political subdivision and the District shall remain with the District.

If the member community or other eligible political subdivision fails to maintain a project funded through the MCIP in accordance with applicable agreements executed with the District, it shall be liable for the full amount of MCIP funds paid for the project.

The District will provide an annual update to the BOT and member communities on MCIP projects.

## MEMBER COMMUNITY INFRASTRUCTURE PROGRAM PROCESS OVERVIEW

### Project Eligibility

A project must meet all of the following minimum requirements to be eligible for MCIP funding:

- Reduce water quality and quantity issues that impact human health and the environment associated with combined or separate sanitary infrastructure problems, as determined by the District.
- Located in the District's sanitary sewer service area <http://arcg.is/2bPxzEt>.
- Include a minimum of 25% non-District funds dedicated to the project.
- Meet all applicable District, federal, state, and local regulations and requirements.
- Tributary to a District wastewater treatment plant.
- Owned, operated, and maintained by a member community of the District or by an eligible political subdivision, which shall be a political subdivision of the State of Ohio.
- Not be the subject of a contract which transfers ownership of the project to a private entity.

To be eligible for MCIP funding, eligible public entities submitting proposals must, in addition to all other MCIP program requirements, provide a resolution or ordinance adopted by the member community legislative body in support of the project. Member communities and eligible political subdivisions may use MCIP funds for planning, design, construction, and administrative costs directly associated with approved projects. Eligible projects include, but are not limited to the following:

- Mitigation of sanitary sewer overflows (SSOs) and illicit discharges,
- Mitigation of inflow and infiltration,
- Removal and elimination of failing home sewage treatment systems (HSTS),
- Increases to local sewer system's level of service, and
- Management of stormwater flow that enhance combined/sanitary sewer system level of service.

### Application Process Overview

1. For each year of funding the District will issue a RFP to its member communities.
2. The forms for the application process are located at <https://www.neorsd.org/community/member-community-infrastructure-program-mcip/>

3. All proposals will be reviewed based on the scoring criteria found in the RFP.
4. The District's review committee will make the determination if the proposed project will be recommended for a grant or community operating lease contract. If the community operating lease option is selected, the member community or eligible political subdivision will be contacted to discuss the terms of the lease agreement.
5. MCIP recommendations will be presented to the District's BOT for final approval.
6. Upon approval by the BOT, the District will enter into a MCIP Project Agreement for each awarded project with the applicable member community or eligible political subdivision.

#### **Project Agreement**

Projects approved by the BOT will be either funded through a MCIP Project Agreement or a Community Operating Lease Agreement, depending on the District funding availability. The District's Legal Department will prepare the appropriate MCIP Project Agreement between the District and the member community or eligible political subdivision.

#### **MCIP Project Agreement**

The member community or eligible political subdivision is responsible for the full implementation of the MCIP Project as defined in the annual request for proposal. At a minimum, the MCIP Project Agreement will contain the following provisions requiring the member community or eligible political subdivision to:

- Bid, construct, and manage the MCIP Project;
- Obtain all necessary approvals and permits and pay all applicable fees connected with the MCIP Project;
- Obtain all easements, rights of entry, and other legal agreements necessary to complete the MCIP Project;
- Maintain and operate the MCIP Project during construction and after project completion for the life of the project; and
- Any other provision the District determines is necessary to ensure compliance with this Policy and protect the interests of the District.

#### **Community Operating Lease Agreement**

The member community or eligible political subdivision will be required to enter into an agreement containing, at a minimum, the following:

- A provision whereby the member community or eligible political subdivision leases the existing or planned sewer asset described in the MCIP Project proposal to the District for a nominal fee for a term to be agreed upon between the District and the member community or eligible political subdivision;

- A provision requiring the District to design, if design has not been finalized, and construct the MCIP Project;
- A provision requiring the member community or eligible political subdivision to waive all permit fees applicable to the MCIP Project during design and construction;
- A provision reverting the MCIP Project back to the member community or eligible political subdivision at the end of the lease term;
- A provision requiring the member community or eligible political subdivision to maintain and operate the MCIP Project for the duration of the lease term; and
- Any other provision that the District determines is necessary to ensure compliance with this Policy and protect the interests of the District.

#### **Budget Modification**

If in the event of qualifying unforeseen circumstances, a member community or eligible political subdivision may request additional funding for project eligible cost increases associated with said circumstances. All requests for additional funding will be contingent upon the availability of funds and justification of cost increases subject to District approval. The District is under no obligation to provide additional funds to MCIP awarded projects. The maximum amount of District funding for any approved budget modification will not exceed 75% of the revised MCIP project cost identified in the member community or eligible political subdivision proposal. The District, at its sole discretion, may waive the 25% non-District fund contribution requirement by a member community for a member community identified by the Office of the Auditor of the State of Ohio as being a local government in fiscal distress. This includes a member community in fiscal caution, watch or emergency as defined by the Office of the Auditor of the State of Ohio (<https://ohio.auditor.gov/fiscal/local.html>). The District reserves the right to authorize funding to address public health and water quality improvements.

#### **Requesting Additional Funds**

*Eligible requests include but are not limited to:*

- Costs identified due to unforeseen circumstances during the engineering or construction phase.
- Change orders during construction that are necessary to:
  - a. Complete the project as approved by the District without additional scope or project changes.
  - b. Meet required federal or state regulatory standards that are new or were unforeseen at the time project design was completed.
  - c. Address conditions not reasonably discoverable in the engineering and design phase of the project.

*Ineligible requests include but are not limited to:*



- Costs resulting from increased scope not needed to complete the original project without justification approved by the District.
- Funding a budget shortfall resulting from the project bids coming in higher than the estimate, without justification or explanation of unforeseen circumstances.
- Funding a budget shortfall in funding from other sources (i.e., local, state, federal and/or other sources).
- Cost overruns incurred during construction that were caused by engineering deficiencies and/or incomplete plan preparation.
- Cost overruns incurred as the result of contractor or project sponsor negligence or misfeasance.

### **Reimbursement Overview**

1. MCIP funded projects are reimbursement only. All requests for reimbursement for the project shall be documented to the District in reasonable satisfaction. All requests shall be submitted in a form sufficient to allow the District to review, inspect and approve materials, labor, and quantities installed for the project.
2. The District's original award will represent a percentage of the project cost, based on the cost estimate provided in the project proposal.
3. If subsequent additional funds are requested and granted pursuant to these policies, then the District's final award contribution may represent a higher percentage of the final project costs, but in no event will the District's final total contribution exceed 75% of the final project costs.
4. If final project costs decrease from the project proposal estimate, then the amount of the District's final contribution shall be reduced to maintain the same percentage of the final project cost as the percentage of the original award in relation to the proposal estimate.
5. The member community or eligible political subdivision shall keep all records and documents relevant to the MCIP Project Agreement, including but not limited to, an accurate, current, and complete accounting of all financial transactions for the project. Such records and documents shall be available at reasonable times and places for inspection and copying by the District or any authorized representative thereof and shall be submitted to the District upon request together with any other compliance information which may be reasonably required.
6. The member community or eligible political subdivision shall bear the risk and remain solely responsible for any payments made to third parties for invoicing not approved for MCIP reimbursement by the District.
7. The member community or eligible political subdivision will provide a copy of any final accounting report prepared in connection with and specific to the project.

## **MEMBER COMMUNITY INFRASTRUCTURE PROGRAM PROCEDURES**

### **Request for Proposals**

The District intends to offer an annual Request for Proposals (RFP) to member communities and eligible public entities for the MCIP. The RFP includes project requirements, evaluation criteria, and schedule of deliverables.

### **Eligible Projects**

Within the annual RFP, the District will list eligible projects. Projects not listed can be discussed with the District for consideration.

### **Evaluation Criteria, Process, and Recommendations**

Proposals must be submitted no later than the specified due date and time in the RFP. Any materials that are not included in the initial submission will not be considered. The proposals are checked for completeness, filed electronically, and disbursed to the selection committee for review.

Final recommendations for funding will be based on the value of the Project Evaluation criteria in the RFP and past performance. The selection of projects is solely at the District's discretion.

The final recommendations to the BOT must be approved by a Chief Executive Officer Committee consisting of the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Director of Engineering and Construction, and Director of Watershed Programs.

### **Project Agreement**

The District's Legal Department will send the MCIP Project Agreement to the primary project contact. The project commences under the MCIP when the MCIP Project Agreement is fully executed and a purchase order number has been issued by the District.

### **Request for Budget Modification**

Budget Modifications require the submission of a Request for Budget Modification form to the Watershed Funding Administrator. Budget Modification must be submitted with substantiating documentation. If approved, the Member Community or Political Subdivision will be required to enter into an amendment to the MCIP Grant Agreement or Community Operating Lease Agreement.

A Request for Budget Modification must be fully-executed prior to consideration of further reimbursement requests.

### **Progress Reports**

Progress Reports will provide a summary of the project status with respect to objectives, degree of project completion, difficulties encountered, and next steps toward project completion. The Progress Report is located at <http://www.neorsd.org/mcip>.

Progress Reports will be submitted:

- Within 30 days of written request from the District
- As an attachment to all Reimbursement Requests

#### Reimbursement Request

For reimbursement, 100% of the MCIP funds must be used for activities and/or expenses directly related to the project, as approved by the District. These activities and expenses may include design, construction, materials, equipment, project performance verification, and signage specifically related to the project. Only project components described in the MCIP Project Agreement and/or approved Budget Modifications are eligible for reimbursement. A Reimbursement Request for project costs cannot be submitted prior to a fully executed MCIP Project Agreement. Any Budget Modification must be documented by written District approval.

1. The Reimbursement Request forms can be found at <https://www.neorsd.org/community/member-community-infrastructure-program-mcip/>, or other location designated by the District.
2. A complete Reimbursement Request submission will include:
  - Reimbursement Request – Cover Sheet
  - Expenditure and Financing Progress Worksheet
  - Expense Worksheet w/supporting documentation
  - Progress Report
3. Itemize all reimbursable project expenses on the Reimbursement Request Expense Worksheet. Include supporting documentation to justify the expenses recorded, such as an itemized bill, receipt, invoice, or time card. This must be accompanied by proof of payment, such as a credit card receipt, cancelled check, bank verified electronic funds transfer and/or other documentation to substantiate purchase and/or payment by the District.
4. The Reimbursement Request shall be submitted to the Watershed Funding Administrator. Send submissions to:  
  
Linda Mayer, Watershed Funding Administrator [mayerl@neorsd.org](mailto:mayerl@neorsd.org)
5. Upon successful review of the submission by Watershed Funding Administrator and Deputy Director of Watershed Programs, the District's Director of Watershed Programs will have the final review and approval of the Reimbursement Request for disbursement to occur.
6. The reimbursement can be anticipated within 30 days of the final approval of the Reimbursement Request.

[FOR DISTRICT USE ONLY]

CONTRACT NO.

NORTHEAST OHIO REGIONAL SEWER DISTRICT

WITH

CITY OF PARMA HEIGHTS

FOR

2019 MEMBER COMMUNITY INFRASTRUCTURE  
PROGRAM PROJECT:

NATHAN HALE STORMWATER BASIN

---

Total Approximate Cost:        \$1,000,000.00

---

CERTIFICATION

It is hereby certified that the amount required to meet the contract, agreement, obligation, payment or expenditure, for the above, has been lawfully appropriated or authorized or directed for such purpose and is in the Treasury or in process of collection to the credit of the fund free from any obligation or certification now outstanding.

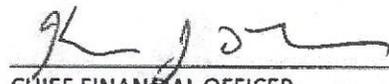
The legal form and correctness of the within instrument are hereby approved.



CHIEF LEGAL OFFICER

Date

03/14/19



CHIEF FINANCIAL OFFICER

Date

03/14/19