

**AGREEMENT FOR THE
TREATMENT OF SANITARY SEWAGE
BETWEEN THE CITIES OF LORAIN, OHIO
AND SHEFFIELD LAKE, OHIO**

This Agreement is hereby entered into on this 20th day of July, 2022, by and between the City of Sheffield Lake ("Sheffield Lake"), a municipal corporation organized and existing under the laws of the State of Ohio and the Charter of the City of Sheffield Lake, and the City of Lorain ("Lorain"), a municipal corporation organized and existing under the laws of the State of Ohio.

WITNESSETH:

WHEREAS, on August 1, 1980, Sheffield Lake and Lorain entered into an Agreement for the provision of services by Lorain to accept and receive into its sanitary sewage system all Sheffield Lake sewage originating from the Sheffield Lake Sewer Area and to transport such sewage through Lorain's trunk sewers, pump stations, and intercepting sewers and dispose of the sewage at the Lorain Black River Wastewater Treatment Plant; and

WHEREAS, on December 3, 2012, Sheffield Lake and Lorain entered into a First Extension and Addendum to the Agreement for a term through and including December 31, 2014; and

WHEREAS, on March 31st, 2014 Sheffield Lake and Lorain entered into a Second Extension and Addendum to the Agreement for a new five (5) year Agreement; effective January 1, 2014, and ending December 31, 2018.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, Sheffield Lake and Lorain agree as follows:

SECTION I – DEFINITIONS:

The words hereinafter defined and hereinafter used in this Agreement shall be construed at all times to have the meanings set forth herein in this "DEFINITIONS" section.

- 1.1 THE CITY OF SHEFFIELD LAKE SEWER AREA – The Sewer Area within the corporation limits of the City of Sheffield Lake and surrounding connections attached to the Sheffield Lake Sewer System as mentioned specifically set forth in Exhibit A hereto.
- 1.2 SHEFFIELD LAKE SEWAGE - All sewage and waste originating in the City of Sheffield Lake Sewer Area.
- 1.3 CITY OF LORAIN WASTEWATER TREATMENT FACILITIES - All sanitary sewage treatment facilities of the City of Lorain heretofore constructed or hereafter constructed, improved, or enlarged.

- 1.4 CITY OF LORAIN SEWER COLLECTION SYSTEM – All sanitary sewers that transport sewage to City of Lorain Wastewater Treatment Facilities, including but not limited to pump stations and other City of Lorain sewer infrastructure.
- 1.5 LORAIN'S RULES AND REGULATIONS - Those rules and regulations established from time to time by the City of Lorain acting through its City Council or duly authorized authority and applicable to its sanitary sewer users within the corporate limits of the City of Lorain.
- 1.6 LORAIN'S SERVICE AREA - All areas that create sanitary sewage that is ultimately treated at a City of Lorain WWTP as specified within the City's FPA (Facility Planning Area) and NOACA (Northeast Ohio Area-wide Coordination Agency).
- 1.7 SHEFFIELD LAKE SEWERS - All sanitary sewers in the Sheffield Lake Sewer Area owned and/or maintained by the City of Sheffield Lake.
- 1.8 USER - The user for the purpose of this Agreement shall mean a sewer connection.
- 1.9 INDUSTRIAL SEWAGE - Shall mean the waste from industry or manufacturing processes, trade, or business as deposited in the sanitary sewage system.
- 1.10 DOMESTIC AND COMMERCIAL SEWAGE - shall mean the normal effluent discharged from dwellings used as a residence or from a business or other commercial activity that is not categorized as industrial sewage.
- 1.11 INDUSTRIAL COST RECOVERY SYSTEM CHARGES (ICRS CHARGES) - "ICRS" shall mean Industrial Cost Recovery System and is defined as being the system of charges designed to recover from industrial users their proportional share of the cost of processing Industrial Waste as defined by all provisions of Chapter 915 of the Codified Ordinances of the City of Lorain.
- 1.12 IN-CITY RATE – The Sanitary Sewer Rental Charge, as defined in Section 913.303 of the City of Lorain Codified Ordinances.

SECTION II – SCOPE:

- 2.1 Subject to the covenants and conditions contained herein, Lorain promises and agrees with Sheffield Lake to accept and receive into its sanitary sewage system all Sheffield Lake Sewage originating from the Sheffield Lake Sewer Area and to transport such sewage through Lorain's trunk sewers, pump stations and intercepting sewers and dispose of the same in the Lorain Black River Wastewater Treatment Plant.
- 2.2 Subject to the covenants and conditions herein contained, Sheffield Lake promises and agrees with Lorain to provide the necessary personnel, facilities, and equipment to own, control, operate, maintain, install, service the sanitary sewage facilities and reduce Infiltration and Inflow (I/I) within Sheffield Lake and in the Sheffield Lake Sewer Area, now constructed and hereafter constructed. Sheffield Lake shall deliver to Lorain for treatment by Lorain up to one hundred percent (100%) of sewage lawfully deposited in Sheffield Lake Sewers.

- 2.3 It is understood and agreed that Sheffield Lake shall have the responsibility for, and pay for, all the administrative costs in addition to all other costs of operation including surveys, investigations, and maintenance of its sanitary sewage facilities in the Sheffield Lake Sewer Area. However, Sheffield Lake, at its own expense, may provide meter reading, billing, and accounting services by contract rather than directly by Sheffield Lake personnel so long as such contract service supplies Lorain with such information as Lorain may request from time to time. The rates for sanitary sewage service charged by Sheffield Lake and Lorain to their respective users shall be set by their respective authorities having jurisdiction thereof and this Agreement shall not be construed to require approval of such rates by the other party.
- 2.4 Sheffield Lake further agrees with Lorain that:
- a) It will provide copies of permits issued to connect to the sanitary sewage system in the Sheffield Lake Sewer Area, upon request.
 - b) No domestic or commercial permits for connection to the Sheffield Lake Sewer System shall require the approval of Lorain. All Industrial permits issued with a connection to the Sheffield Lake Sewer System shall be subject to prior approval by the City of Lorain.
 - c) Lorain may be permitted to connect any of its sanitary sewers to and to use any of the sanitary sewers in the Sheffield Lake Sewer Area subject to the approval of the Council of the City of Sheffield Lake.
 - d) The sanitary sewage system in the Sheffield Lake Sewer Area shall not be used for surface water drainage and shall be used for industrial waste only to the extent and upon the condition allowed by law and/or the adopted rules and regulations of the City of Lorain including, where required, Industrial Cost Recovery Charges (ICRS) and the pretreatment of such waste. Lorain shall have the right to sample and regulate the effluent of any industrial user of the sanitary sewage system in the Sheffield Lake Sewer Area; and to require the installation of such sampling manholes as Lorain may deem necessary in accordance with Lorain's Rules and Regulations. As provided in this section, the City of Lorain shall have the right to sample and monitor the waste discharged into the Lorain collection system by industrial users. This flow information will be used by Lorain for the purpose of calculating ICRS charges. Sheffield Lake, in turn, will be responsible for the collection of ICRS charges and forwarding the same to the City of Lorain.
 - e) The detailed plans, specifications, and profiles for the construction of sanitary sewers in the Sheffield Lake Sewer Area shall be submitted to the City of Lorain Utilities Department, prior to the commencement of such construction. The City of Lorain Utilities Department or their authorized agent shall have the right to enter and inspect any sewer in the Sheffield Lake Sewer Area during or after the period of construction thereof at Lorain's expense.
 - f) Sheffield Lake and Lorain shall have prepared and thereafter maintain sewer system maps by the respective cities. Said maps shall be updated by each party and submitted to the other party upon request.

SECTION III – RATES:

- 3.1 The City of Sheffield Lake shall pay the City of Lorain for sewer rental charge (i.e. sanitary sewer service) at a rate not to exceed fifty percent (50%) of the In-City Rate no later than 2028, subject to percentage-based increases from 2022 through 2028, as more fully set forth in Exhibit A, titled "Rate Structure," which is attached hereto and incorporated herein by reference. Sheffield Lake Sewage shall be metered at the points where Sheffield Lake sewage enters the City of Lorain Sewer Collection System. For years 2029-2031, the City of Lorain may annually adjust the sanitary sewer rental charge (i.e. sanitary sewer service) for the City of Sheffield Lake, and such adjustments shall take effect during the first billing cycle of the calendar year. Any annual increases made by the City of Lorain upon the sanitary sewer rental charge (i.e. sanitary sewer service) for the City of Sheffield Lake for years 2029-2031 shall not exceed ten percent (10%) of an increase from the previous calendar year – such annual increases shall not exceed fifty percent (50%) of the In-City Rate. The volume charges to Sheffield Lake shall be computed by using the entire flow measured at such metered connection points multiplied by the cost per 1000 Gallons and including any industrial surcharge on a monthly basis. Lorain agrees to meter each Sheffield Lake Sewer connection as it connects with Lorain sewers. It is understood and agreed by Sheffield Lake and Lorain that sewage service is considered rendered at the place of metering the sewage in the case where the property of a single user is located both in Lorain Service Area and in Sheffield Lake Sewer Area.
- 3.2. Sheffield Lake shall pay charges for the treatment of sewage within forty-five (45) days after the month the sewer service is rendered. In the event the charges for treatment of sewage are unpaid by Sheffield Lake within forty-five (45) days following the date of billing, Lorain shall charge Sheffield Lake a five percent (5%) penalty for each forty-five (45) days they are in arrears. The gross amount shall be accepted as full payment for such sewage service supplied during the preceding month. In the event, the City of Lorain determines that the flow meter or meters are inoperative thus requiring an estimated reading of sewage flows during the reading period, said estimated flow metered shall be determined by using the metered flow from the same period of the previous year increased or decreased by the percentage of increases or decreases of the last metered flow recorded and received by Lorain over the recorded metered flow during the same billing period for the previous year.
- 3.3 The City of Lorain shall provide written notice to the City of Sheffield Lake no later than November 30th of each calendar year of any change to the In-City Rate. Should the In-City Rate change prior October 31st of any calendar year, the City of Lorain shall provide written notice to the City of Sheffield Lake within thirty (30) days. All written notice provided for in this Agreement shall be sent to:

City of Sheffield Lake
ATTN: Service Director
609 Harris Road
Sheffield Lake, Ohio 44054

City of Lorain
ATTN: Utilities Director
1106 First Street
Lorain, Ohio 44052

SECTION IV – MISCELLANEOUS:

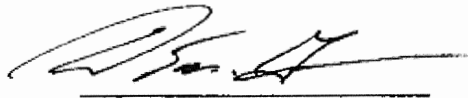
- 4.1 This Agreement shall be effective July 20, 2022 and upon approval and execution by all parties and shall remain in effect for a period commencing upon the effective date and ending December 31, 2031. Thereafter, this Agreement shall renew for a period of one (1) year in perpetuity should a new Agreement not be entered into prior to the ending date. Should this Agreement be renewed pursuant to this section, such Agreement shall be subject to the terms and conditions set forth herein, subject to the rate for Sheffield Lake not to exceed ten percent (10%) of an increase from the previous calendar year. At any time during 2031 or any subsequent renewal period of this Agreement thereafter, either party may provide written notice of their intent to negotiate a new agreement within one hundred eighty (180) days prior to the termination of this Agreement.
- 4.2 In the event that any governmental authority which has jurisdiction in the Lorain Service Area or Sheffield Lake Service Area shall notify Lorain that a higher degree of sewage treatment is required than is provided on the date hereof by the Lorain Utilities Department, then the parties hereto shall, upon thirty (30) days prior written notice by Lorain to Sheffield Lake, enter into negotiations to revise this Agreement and make a revised agreement to the extent necessary to provide the requisite funds to accomplish the higher degree of sewage treatment that is so required by such governing authority.
- 4.3 All prior agreements for sewage service entered into by the parties hereto prior to this Agreement shall be null and void and of no effect as of the date of execution by all parties, but this Agreement shall not affect any right, claim action, or cause of action which may heretofore have accrued to either party under such prior agreements.
- 4.4 Any reference herein to the City of Sheffield Lake, the City of Lorain, the City of Lorain Utilities Department, Lorain City Council, and the Sheffield Lake City Council, shall be deemed to include any officer, board, or body which may hereafter succeed by operation of law to their respective powers and duties.
- 4.5 If, at any time, it becomes unlawful for Lorain to furnish sewage service to new users outside of the corporate boundaries of Lorain under the statutes and/or Constitution of Ohio, Lorain shall not be liable in money damages or otherwise for its failure to offer or serve users as required hereby and prompt notice of such legal determination shall be given by Lorain to Sheffield Lake. Lorain shall not be required to furnish sewer service to such new users as required by this Agreement, and any parties adversely affected by such lack of service shall have no remedies or rights to damages or other compensation caused by such failure to provide sewer service. Lorain hereby covenants it shall, at all times, exercise due diligence in taking such steps as are necessary to provide the sewer services required by this Agreement.
- 4.6 Sheffield Lake shall have the right to withdraw from this Agreement for the purpose of utilizing another method or methods of treating wastewater, subject to Ohio EPA approval, provided that such withdrawal notice has been transmitted to Lorain in writing at least one (1) year prior to such withdrawal date.

- 4.7 The City of Sheffield Lake shall establish a user charge, which user charge shall distribute on a proportionately equal basis the costs incurred by Sheffield Lake relating to the rates established in section 3.1, to all users in the Sheffield Lake Sewer Area.
- 4.8 A determination that any part of this Agreement is invalid shall not invalidate or impair the force or effect of any other part thereof, except to the extent that such other part is wholly dependent for its operation upon the part declared invalid.

IN WITNESS WHEREOF, Sheffield Lake and Lorain have caused this Agreement to be executed by their respective duly authorized officers on this 20th day of July, 2022.

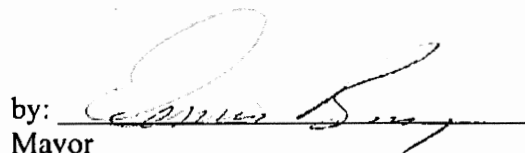
APPROVED AS TO FORM:

THE CITY OF SHEFFIELD LAKE, OHIO



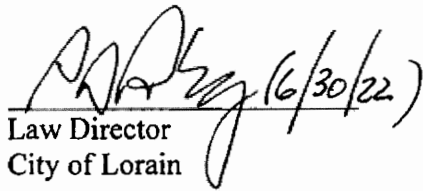
Law Director
City of Sheffield Lake

by:



Mayor
City of Sheffield Lake

THE CITY OF LORAIN, OHIO



Law Director
City of Lorain

by:



Safety / Service Director
City of Lorain

EXHIBIT A

<i>Year</i>	<i>Percent of In-City Rate</i>
In-City Rate	-
2022	25%
2023	27.5%
2024	32.5%
2025	37.5%
2026	42.5%
2027	47.5%
2028	50%

*** For years 2029-2031 of the Agreement, rate increases or decreases shall be as set forth in Section 3.1**

