THE CORD REPORT

The Official Quarterly Newsletter of CORD



CORD

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ISSUE 1 FAILS, STATE OPERATING BUDGET SET TO TAKE EFFECT IN EARLY OCTOBER, REMAINDER OF 2023 LEGISLATIVE CALENDAR SET THE LATEST ON THE 135TH GENERAL ASSEMBLY

Michael Guastella Director of Public Affairs, Governmental Policy Group, Inc. <u>michaelegpgrhr.com</u>

COLUMBUS - If summers are supposed to be slower, the Ohio political scene did not get the memo. One of the more contentious statewide ballot initiatives in recent memory, dubbed State Issue 1, has come and gone...at least for now. Ohio's Secretary of State, Frank LaRose, has formally declared his candidacy for the United States Senate, entering what is likely to be a vicious Republican primary in an attempt to unseat incumbent Senator Sherrod Brown. The Ohio General Assembly passed a state operating budget in dramatic fashion, ultimately going into overtime by three days beyond the constitutionally mandated deadline of June 30.

With all of this and more, this is your CORD Legislative Update! Please feel free to contact <u>Michael by email</u> with questions.

Issue 1 Fails, Huffman Suggests Measure Could Return

As you likely recall, the Ohio General Assembly passed a joint resolution earlier this year that posed the question to Ohio voters as to what the threshold should be to alter Ohio's constitution. After months of debate, yard signs, and campaign rallies across Ohio communities, State Issue 1 ultimately failed 57-43%, with nearly 400,000 greater votes being cast against the measure than for it. Historically, special elections yield much lower turnout amongst voters – a main point of contention of those opposed to Issue 1, labeling the process "undemocratic." However, this election saw over 35% turnout, beating all expectations of pundits on both sides of the debate.

Issue 1's defeat is a major victory for those in favor of the upcoming measure on the November ballot; an amendment that would enshrine abortion rights into the state Constitution. Had Issue 1 passed, the measure would have required passage by 60%.

With the defeat of Issue 1, legislative leaders have indicated that the concept will be back in some form in the future. Ohio Senate President Matt Huffman told reporters the night of the Special Election that Ohioans can expect to see the question on their ballot again in the future.

In addition, the November ballot will also include a proposal that would legalize adult-use marijuana in the state. Unlike the abortion rights amendment, the marijuana issue uses the initiated statute process and would not be enshrined in the Ohio Constitution.





State Operating Budget Passes; Takes Effect on October 3rd

In our last update, the state operating budget – House Bill 33 – was set to gear up for debate in the "conference committee"; the legislative body designated to harmonize the differences between the House and Senate versions of the bill, comprised of members from both chambers of the legislature. Agreements need to be made on hundreds of individual policy changes and appropriations, with several high-profile items among them, including nearly \$3 Billion in tax cuts. Other issues, such as changes to the state's competitive bidding laws, are also set to take effect on October 3rd. Refer to the GPG Competitive Bidding Overview document on page 4 of the newsletter for more information! In the case of Regional Districts,' the change in law also affects force account limits. For those that want to look at the statutory language refer to ORC Sections 6119.10 and 9.17.

Other CORD-Relevant Legislation

Besides HB 33, there are updates to other legislation that CORD is monitoring on your behalf:

<u>HB 64 – Changes to Eminent Domain Laws</u>

Since our last legislative update, not much has changed materially with regard to HB 64. As you may recall, the Chairman of the House Civil Justice Committee, Brett Hillyer, had previously indicated that due to the vast opposition of the bill, HB 64 had been placed on an indefinite hold in response to the vast opposition to the bill.

As an update, the bill has yet to be formally amended, but Chairman Hillyer has been working on a yet-to-be-revealed substitute bill to HB 64. Our latest knowledge on this suggests that the bill will likely be accepted in committee in the coming weeks. CORD is closely monitoring HB 64 and will keep members updated on significant changes.

<u>HB 93 – Tax Lien on Water and Sewer Bills</u>

HB 93, a bill currently in the House State and Local Government committee, is a bill that would change Ohio's laws related to a <u>municipality's</u> ability to place a tax lien on a property owned by a landlord whose tenant is delinquent in payment.

It is important to note: 6119 and 6117 districts are not impacted by this legislation, currently.

Since our last legislative update, HB 93 has been favorably reported out of the House State and Local Government Committee, receiving 8 votes in favor of the bill and 4 opposed. The committee voted on June 27 to favorably report the bill to the Committee on Rules and Reference, where it will then be referred to the House for a full chamber vote. Once the House has voted on the bill, HB 93 will then go to the Senate for the full process in the other chamber.

United States Senate Republican Primary

Campaign season for the 2024 General Election is already well underway in Ohio. While the focus across the country will certainly be on the Presidential election, in Ohio, we have several Republican candidates seeking to defeat incumbent Senator Sherrod Brown.

Three individuals have declared their candidacy for the United States Senate; Bernie Moreno, a businessman from Northeast Ohio, State Senator Matt Dolan, and most recently, Ohio's incumbent Chief Elections Officer, Secretary of State Frank LaRose.



Sharrod Brown



Bernie Moreno



Sen. Matt Dolan



Frank LaRose



The FY24-25 state operating budget, HB 33, made several changes to the Ohio Revised Code regulations competitive bidding thresholds and public improvement contracts.

New Regulations as of October 3, 2023

Threshold Increase to \$75,000



HB 33 increases the statutory competitive bidding thresholds for counties, townships, municipal corporations, libraries, fire and ambulance districts, regional airport authorities, and <u>regional water and sewer districts</u> from \$50,000 to **\$75,000**, through **calendar year 2024.** The new law also increases the regional water and sewer district Force Account threshold to \$75,000.



Annual 3% Threshold Increase

Beginning January 1, 2025 and for years going forward, the thresholds are increased 3% annually.



Prohibition on Subdividing Contracts

The prohibition on subdividing contracts or purchases in order to avoid threshold limits remains in place.

Increase in Allowable Variance on Project Estimates



vs. Contracts

For political subdivisions, the allowable difference between a public improvement project's estimate to the project's contract price increases to 20%, up from 10%.

Questions? Contact your team at Governmental Policy Group!



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TOP DRAWER REGIONAL DISTRICTS: THE NORTHWESTERN WATER AND SEWER DISTRICT

Written by Theresa Pollick, Public Information Officer The Northwestern Water and Sewer District



History

The Northwestern Water and Sewer District (The District) started operations on January 1, 1994, to supply water and sewer services to rural areas and small municipalities in Wood County, Ohio. It was formed out of necessity by county, township, and municipal leaders challenged by increasing regulations, annexation, and the need for a regional organization to operate and maintain a water and sewer system.

The District has grown through mergers and economic development in both rural and urban areas. The District now serves over 20,000 residential and industrial customers in five counties (Wood, Sandusky, Henry, Hancock, and Lucas) with a staff of 75 employees.

The District Board

The District's ten-member Board of Trustees provides ongoing strategic and financial oversight. Each trustee serves a threeyear term. Three trustees are appointed by the Wood County Commissioners, three selected by The District's township members, three chosen by the municipal members, and one appointed by the Henry County Commissioners. The officers are the chair, vice-chair, and treasurer. The board meets twice a month on the second and third Thursday of each month.

Water System

The District provides water service to over 20,000 residential and business customers in Northwestern Ohio. The District works with seven area water service providers including the city of Bowling Green, Toledo, Oregon, Napoleon, and Fostoria to purchase water. Each day, approximately 5.4 million gallons of water are distributed through over 458 miles of water distribution pipe. The District also maintains ten water towers, nine master metered public water systems, twelve booster stations, over four thousand fire hydrants, and nine bulk water stations. The District operates one water treatment plant in the Village of McComb, Ohio. The District is planning to decommission this plant in the fall of 2023 following the construction of an 8-mile regional waterline that will supply water from the Village of North Baltimore to McComb.

The District saw the need in rural communities for purified drinking water filling stations. District leadership had the insight to create their own water filling stations at various locations with known poor water quality in well systems, and the WaterShed concept was born. District WaterSheds use a nine-step filtration process to produce high-quality drinking water at an affordable price. The WaterShed dispenses drinking water in 1- and 5-gallon quantities for only a quarter per gallon. The District operates 13 Watersheds across the region. Watersheds' have surpassed one million dollars in revenue.

Sewer System

The District moves and treats over 850,000 gallons of wastewater a day. It's collection network consists of 365 miles of sewer pipe. The District maintains thirteen wastewater treatment facilities, ninety-four pump stations, sixty submersible stations, and over 6,500 manholes. The District also contracts with several wastewater treatment providers including the cities of Bowling Green, Toledo, Oregon, Fostoria, and Perrysburg who treat millions of gallons of flow each day.

President

A former vice president at a local bank, Jerry Greiner, began working at the Wood County Sanitary Engineering office in 1988 before The District was formed. His financial knowledge, operations background, and local connections through the banking industry made him a strong candidate to assume the role of The District's President. He's remained in this position for almost thirty-five years and has developed The District from a staff of thirty located in the Wood County Courthouse to a leading regional water and sewer district.

Staff

The District currently has seventy-five employees made up of six different departments: administration, finance, customer service, operations, engineering, GIS/IT. Administration consists of the President, Clerk of the Board, and Public Information Officer. The finance department oversees budgets for all departments, rates, and audits with the Chief Financial Officer leading a staff of two accountants. The District's customer service department maintains electronic metering and data, billing, and customer service. The Operation team supports both water and wastewater distribution and has a staff of approximately thirtyfive licensed water and wastewater operators. The Engineering department oversees over seventy-five water and wastewater projects per year with licensed engineers, project managers, project inspectors, and utility locators. The GIS/IT department supports staff with technology including SCADA, software, mapping assets, and data analysis.



President Jerry Greiner

Rates

Each year, The District reviews the costs of operations, including fuel, materials, and labor to establish rates. These rates also maintain debt service coverage, maintain bond covenants, and cover the cost of emergency repairs. For 2023, the Board approved a 3.74% increase in District water rates and 3.04% increase for District sewer charges. This reflects a total increase of only \$3.02 in District charges per month for 1,000 cubic feet of usage. Water and sewer bills are split into two parts: District operations and maintenance charges and treatment provider charges. Treatment provider charges will vary depending on the contracted service provider.

Revenue

The District's operating budget, funded through rate revenue was \$32 million in 2022. Coupled with a capital budget of \$30 million, funded with rate revenues, grants, and low-interest loans. Combined, The District's income and expenditures were \$62 million. Ongoing maintenance repairs, replacement, as well as line extensions receive the bulk of those expenditures.

Summary

After almost thirty years in operation, The District reflects the dynamic area of Northwest Ohio. It is diverse in its business, communities, and needs. As a regional authority, it has the resources to protect the area from environmental problems and a staff of professionals dedicated to long-term improvements and maintenance.

H20HIO FUNDING

An Update From Ohio EPA

Water quality is one of Governor DeWine's top priorities. In 2019, he created H2Ohio, the state's comprehensive approach to improving water quality through a unique collaboration of Ohio EPA, the Ohio Department of Agriculture, the Ohio Department of Natural Resources, and the Ohio Lake Erie Commission.

H2Ohio addresses water quality through the implementation of agricultural best management practices to reduce nutrient runoff into our waterways, the creation of wetlands to filter nutrients, and improvements in infrastructure to ensure clean drinking water.



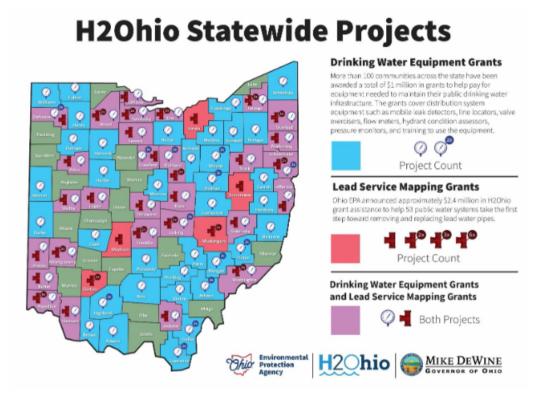
Although each Ohio community is unique, all face a common challenge – ensuring their water and wastewater infrastructure is up-to-date, reliable, and sized to serve residents.

As part of the biennial budget passed by the 134th General Assembly, Ohio EPA received \$10 million in H2Ohio spending authority for fiscal year 2023 through House Bill 110. This "no strings attached" funding helps fund critical drinking water and sewer infrastructure projects throughout the state, bridging the "last mile" of funding for projects partially financed through other loans and grants. The 69 H2Ohio projects awarded so far, including waterline extensions, new sanitary sewer lines, lead service line replacement, and household sewage treatment system repair and replacement, serve more than 60,000 Ohioans.

Ohio EPA will further improve our water resources through the H2Ohio Rivers Initiative, by implementing monitoring and data collection, restoring river health, protecting wildlife, and creating healthy environments for water recreation throughout the state. Ohio's flowing rivers and forested banks are critical for the migration, nesting, and survival of fish and other wildlife. The initiative will also work on the strategic removal of dams and the contaminants left behind by acid mine drainage. Healthier rivers also will have a direct impact on Ohio's drinking water by recharging aquifers across the state, while contributing to better boating, fishing, and exploration of the state's natural resources.

Lead Service Line Mapping and Replacement

In 2022, Ohio EPA announced approximately \$2.4 million in H2Ohio grant assistance to help 53 public water systems in 37 counties take the first step toward removing and replacing lead service lines by identifying and mapping these toxic pipes.



Along with the H2Ohio funding, the Agency also awarded more than \$22 million in principal forgiveness for lead service line replacements in 24 communities. Principal forgiveness is grant-like funding referring to the principal portion of a loan that does not require repayment. This funding will help ensure that residents have access to safe drinking water and that the water lines are updated to the latest standards.

Home Sewage Treatment Systems

Ohio has nearly one million homes served by household sewage treatment systems (HSTS). When working properly, these can be a viable form of sewage treatment in rural areas that lack centralized sanitary sewers. However, when malfunctioning, HSTS can contribute to poor water quality and threaten public health.

Ohio EPA awarded more than \$263,000 to local health districts in Licking, Lorain, Portage, Stark, and Wayne counties. These counties were chosen because of their prevalence of HSTS and the local health districts' proven ability to work with homeowners to correct problems. Funds are directed to

disadvantaged homeowners. Depending on the household income and the number of residents, homeowners may qualify for grants of 50% to 100% of the total costs for HSTS repair or replacement.

Gorge Dam

H2Ohio is providing \$1,000,000 to support the removal of the Gorge Dam on the Cuyahoga River. These funds will allow Ohio to meet the Non-Federal Cost Share requirement and leverage federal funding of \$150,000,000. The removal of the Gorge Dam will include dredge and disposal of 912,000 cubic yards of sediment containing polychlorinated biphenyls (PCB), polycyclic aromatic hydrocarbons (PAH), heavy metals, and pesticides; reduce nutrients including phosphorus; and dramatically improve aquatic life within the Cuyahoga River.

Mentor Marsh State Nature Preserve

Mentor Marsh is Ohio's first National Natural Landmark and at nearly 700 acres is one of the largest natural marshes along Lake Erie's shoreline.



H2Ohio provided \$500,000 to support the Cleveland Museum of Natural History's Mentor Marsh Coastal Restoration Project. The grant will be used to monitor and remove invasive species and grow native plants that will improve the overall health and quality of the wetland. This grant builds on Governor DeWine's commitment to restoring the marsh.

Water is one of our state's greatest resources and Ohio EPA is proud to be one of the agencies committed to providing clean and safe water for all Ohioans.

IMPORTANT NEWS FROM OHIO EPA: NEW DRAFT U.S. EPA LEAD AND COPPER RULE IMPROVEMENTS EXPECTED BY END OF 2023

Provided by: Jon Bernstein, P.E. Chief, Division of Environmental and Financial Assistance In 1974, the Safe Drinking Water Act was passed by Congress. This law requires U.S. EPA to determine the maximum level of contaminants in drinking water where no adverse health effects are likely to occur. The federal lead and copper rule was created by U.S. EPA in 1991 to control the corrosivity of water, while also protecting public health. Lead and copper enter drinking water from the corrosion of pipes containing plumbing materials, including home interior plumbing and water service lines. Public Water Systems (PWS) are required to collect residential tap water samples within their distribution systems using risk-based tiering criteria, with the highest priority sites being those with plumbing materials containing lead.

Ohio's lead and copper rule was issued in 1993. In 2016, Ohio's Governor signed House Bill 512 which required corrosion evaluations and lead maps from Ohio's PWSs. Ohio also revised its lead and copper rules in 2018 adding the lead mapping and corrosion evaluation requirements.

In 2019, U.S. EPA proposed lead and copper rule revisions (LCRR). These rules became effective on December 16, 2021. On that same day, the U.S. EPA announced the development of a new regulation, lead, and copper rule improvements (LCRI). A draft of the LCRI is expected by the end of this year.

It is important to note that while the U.S. EPA is drafting the LCRI and has indicated intent to modify certain provisions of the LCRR, the service line inventory requirement is not likely to change. **This means that PWSs will need to submit a complete inventory of all service line materials to Ohio EPA no later than October 16, 2024.** Ohio has developed an inventory spreadsheet for all PWSs to use, which can be found <u>here</u>.

Opportunities for Assistance

Assistance for the identification and replacement of lead service lines is available through Ohio's Drinking Water State Revolving Fund, the Water Supply Revolving Loan Account (WSRLA). The WSRLA provides financial assistance for a wide variety of drinking water infrastructure projects every year. The Bipartisan Infrastructure Law (BIL) passed by Congress in 2021 has provided Ohio EPA with significant resources to assist with the inventory and replacement of lead service lines.

For state fiscal year 2024, BIL funding of \$167 million will be made available for LSL projects. With a portion of these funds, Ohio EPA intends to enter a state contract that will identify contractors who can provide PWSs with free technical services to identify, inventory, and map their lead service lines. Ohio EPA expects this assistance will be available by Spring 2024. In addition, funding focused on small systems was provided to the Ohio Rural Community Assistance Partnership for identification, inventory, and mapping.

Improving Ohio's water infrastructure is vital to protecting public health and reducing lead in drinking water. BIL funding is also available to assist water systems with lead service line replacement. Up to \$81.8 million in principal forgiveness (grant-like funding) is available to disadvantaged communities. For communities not considered disadvantaged, lead service line projects are eligible for 0% financing.

Get More Information

Ohio EPA has a webinar that you can watch on-demand titled "<u>Resources for Lead Service Line Identification and</u> <u>Replacement</u>". This webinar provides greater detail on the timelines and processes associated with the lead service line funding and assistance opportunities available through the Ohio EPA.

Additionally, Ohio EPA is conducting five regional in-person workshops to provide information about lead service line funding and assistance opportunities. Please RSVP to James Gault at <u>james.gault@epa.ohio.gov</u>.

Region	Date/Time	Location	RSVP Date
Northwest Ohio	August 29 th ; 2:00 pm-4:00 pm	Veterans Memorial Building; 520 Conneaut Avenue Bowling Green, OH 43402	August 25 th
Central Ohio	August 31 st ; 2:00 pm-4:00 pm	State Library of Ohio; 274 E 1st Ave #100, Columbus, OH 43201	August 28 th
Northeast Ohio	September 7 th ; 1:00 pm-3:00 pm	Kent Free Library; 312 W Main St, Kent, OH 44240	September 4 th
Southwest Ohio	September 12 th ; 1:00pm-3:00pm	Montgomery County Business Solutions Center; 1435 Cincinnati St #300, Dayton, OH 45417	September 8 th
Southeast Ohio	September 14 th ; 1:00pm-3:00pm	Ohio EPA Southeast District Office; 2195 E Front St, Logan, OH 43138	September 11 th

For any questions on lead service line funding and assistance, please contact:

Debbie Nicholas (Division of Environmental and Financial Assistance) at: <u>Deborah.Nicholas@epa.ohio.gov</u> Gina Hayes (Division of Drinking and Ground Waters) at: <u>Gina.Hayes@epa.ohio.gov</u>

OHIO BUILDS PROGRAM ROUND 5 ALLOCATES \$135 MILLION TO SUPPORT CRITICAL WATER INFRASTRUCTURE PROJECTS

On July 21, 2023, Governor Mike DeWine announced the <u>*fifth round*</u> of water infrastructure grant funding awarded through the Ohio BUILDS (Broadband, Utilities, and Infrastructure for Local Development Success) program administered by the Ohio Department of Development. The awards include 90 projects in 64 counties. Since its inception, Ohio BUILDS water infrastructure program has provided nearly \$500 million to support 343 local water projects impacting each of Ohio's 88 counties.

The DeWine Administration launched the Ohio BUILDS water infrastructure program in 2021 as a continuation of the H2Ohio initiative, which launched in 2019 to focus on ensuring plentiful, clean, and safe water for communities across the state. In total, nearly \$1.3 billion has been dedicated to H2Ohio.

The first three rounds of the program, awarded in October 2021, November 2021, and December 2021, were funded with \$250 million from the American Rescue Plan Act (ARPA) appropriated by the 134th Ohio General Assembly. Both the previous and current rounds of this award were funded through an additional \$250 million in ARPA dollars appropriated by the legislature through House Bill 45, which became law in January 2023.

In addition to water infrastructure upgrades, Ohio BUILDS strategically invests in a broad range of projects to improve quality of life and support economic growth such as broadband expansion, brownfield redevelopment, the demolition of blighted buildings, and more.

The awards made in Round 5 followed Round 4 awards, which were announced in mid-June totaling \$114 Million. Following are the awards made to Regional Water and Sewer Districts in both Rounds 4 and 5:

Drinking Water Infrastructure Projects–Round 5

The *Allen Water District* (Allen County) will receive a \$439,000 grant to construct a loop to the local water distribution system. Project activities include installing approximately 4,200 linear feet of 12-inch waterline, serving approximately 10 residents along the route while also providing a backup water source to another 2,200 people. The project will benefit 2,210 people.

The *Jefferson Water and Sewer District* (Franklin County) will receive a \$2,950,000 grant for the expansion of the Taylor Road Water Treatment Plant. The plant currently has the capacity to process 1.73 million gallons of water per day but, due to the exponential growth in the service area, expansion is needed to meet the current and future water demands. Plant expansion will increase the capacity to 2.20 million gallons per day. Project activities will include the addition of at least one iron filter, one water softener, one clear well, and an additional 750,000-gallon elevated water tower. The project will benefit 13,422 people.

Tri-County Rural Water & Sewer District (Morgan/Noble/Washington counties) will receive a \$1,000,000 grant to add waterline extensions, an additional water tank for storage, and two generators to assist as a backup power source. The District often battles with extended power outages, posing risks to water quality at the treatment plant and halting distribution throughout the system. As a result, the district's minimal potable water storage is drained leaving thousands of residents and businesses without potable water. These improvements will benefit the entire system by allowing for a much larger service area. The project will benefit 3,225 people.

The Northwest Regional Water District (Scioto County) will receive a \$47,968 grant for a pump and motor redundancy project. Project activities include installing a spare pump and motors for each pump station on the system. The project will benefit 11,000 people.

Drinking Water Infrastructure Projects–Round 4

The **Adams County Regional Water District** (Adams County) will receive a \$725,000 grant to repair two 100,000-gallon tanks so that they may remain in service. The tanks require several repairs to meet ruling agency requirements. In addition to necessary repairs, the tanks will be stripped of existing paint and recoated. Repairs will result in an additional 20 years of service life to the county. The project will benefit 2,500 people.

The *Adams County Regional Water District* (Brown County) will also receive a \$242,500 grant for a waterline extension project for Brushy Fork Road residents. Currently, residents are serviced by private wells where the water quality is poor and unfit for consumption. The project will add nearly 10,000 linear feet of waterline as well as necessary valves and hydrants. The project will benefit 24 people.

The **Northwestern Water and Sewer District** (Henry County, Wood County) will receive a \$1,490,175 grant for a water main improvement project in the communities of McClure, Liberty Center, and Weston. The project will improve water quality for affected customers, obtain a more stable long-term water rate, provide a system for future growth in the county, and serve as an emergency source for Napoleon and Malinta. The project will benefit 2,540 people.

Wastewater Infrastructure Projects–Round 5

The *Troy Township Waste Water District* (Ashland County) will receive \$68,110 to install an insulator over the pumps at the lagoons, a back-up grinder pump, and a storage building which will also serve as a meeting room. The project will benefit 1,747 people.

The *Trimble Township Water District* (Athens County) will receive a \$927,000 grant for improvements to the water and sewer facilities. Project activities will include replacing two pump stations, improving one lift station, replacing four lift stations, sealing connections, two manhole replacements, one catch basin, and stormwater extension. The project will benefit 2,667 people.

Wastewater Infrastructure Projects–Round 4

The **Northeast Ohio Regional Sewer District** (Cuyahoga County) will receive a \$5 million grant to repair a damaged and partially collapsed culverted section of Big Creek within the City of Cleveland. The culvert is shallow and runs through the backyards of approximately 100 households. Additional failure could cause major flooding and property damage and potentially impact nearby I-71 embankments. The project will impact 253 people.

The *Walnut Creek Sewer District* (Fairfield County) will receive a \$2,951,500 grant for a wastewater treatment plant improvement project for Thurston and Pleasantville villages. The current system is operating at 83% capacity and is not equipped to handle wet weather events, exceeding pollutant discharge levels into Little Walnut Creek. The improvement project will supplement the current oxidation ditch system with additional aeration capacity and improve pipe deficiencies. The project will benefit 1,692 people.

The *Whitewater Township Regional Sewer & Water District* (Hamilton County) will receive a \$5 million grant for a wastewater collection system expansion project near the I74/SR 128 interchange. The project will expand more than 10,000 linear feet of main sewer line and 6,000 linear feet of gravity sewers and also construct a pump station. The expanded sewer system will support the future economic development of residential, commercial, and institutional facilities in the previously unserved area. The project will benefit 5,503 people.

The **Ohio & Lee Water and Sewer Authority** (Monroe County) will receive a \$5 million grant to construct a sanitary sewer system for the commercial and residential connections in Hannibal. Currently, there is no public sewer system and properties have on-lot systems or dump into local creeks, streams, or the Ohio River. Completion of the project would correct Ohio EPA violations and improve water quality for the safe recreation of boating, fishing, camping, and swimming. The project will also allow for future economic growth. The project will benefit 576 people

The **Ohio & Lee Water and Sewer Authority** (Monroe County) will also receive a \$5 million grant to construct a sanitary sewer system for the commercial and residential connections in Sardis West. Currently, there is no public sewer system and properties have on-lot systems or dump into local creeks, streams, or the Ohio River. Completion of the project would correct Ohio EPA violations and improve water quality for the safe recreation of boating, fishing, camping, and swimming. The project will also allow for future economic growth. The project will benefit 722 people.

HOW THE NORTHWESTERN WATER AND SEWER DISTRICT SUPPORTS ECONOMIC DEVELOPMENT

Written by Jerry Greiner, President of The Northwestern Water and Sewer District



The Northwestern Water and Sewer District (the "District") plays an important role in the economic development of our region. We provide reliable and affordable water and sewer services to a variety of businesses from small retail shops to large industrial plants. The District also helps with new residential subdivisions and warehousing projects.

Our region has many advantages for businesses, such as low utility costs, moderate taxes, and a skilled workforce. We have access to major highways, railroads, and a port on Lake Erie. These geographic factors help our region stay resilient and competitive in the global market.

The District plays a vital role in facilitating the development of our region by collaborating with various public and private stakeholders. Our engineering team responds to requests from developers and economic development agencies at the county, regional, and state levels and the District has established strong ties with these agencies over time. Another key factor that sets us apart is our partnerships with multiple water and sewer treatment providers in our vicinity. The District delivers its water and sewer services through our distribution network while relying on seven local municipalities for our water and wastewater treatment.

When businesses thrive in our region, they benefit not only themselves but also the whole community. Businesses pay water and sewer bills, which helps the District maintain and improve our infrastructure. Businesses also pay real estate taxes, which support our local schools and public services. Businesses pay income taxes, which fund our municipal governments. Finally, businesses create jobs and income for our residents, which enhances our quality of life.

We work closely with local, state, and federal partners to leverage our resources and attract new investments. We do not overextend our utility funds, but we try to make the most of every opportunity. We are proud to have some of the world's leading companies as our customers, such as First Solar, NSG Pilkington, Charter Steel, and the CXS intermodal hub.

We are happy to be part of the economic development of our region!

Uncharted Water

FIGHTING FRAUD: THE AUDITOR OF STATE'S SPECIAL INVESTIGATIONS UNIT

100 CONVICTIONS SINCE JAN. 2019, \$18 MILLION FINDINGS FOR RECOVERY

By: Keith Faber, Ohio Auditor of State

Government Fraud Is a Crime. Don't Do It. Don't Tolerate It. Auditor of State Keith Faber takes the misuse and misappropriation of public money seriously and is dedicated to raising awareness of the issue among all Ohioans. The mission of the SIU is to promote transparency and accountability in the use of public funds, to expose fraud and corruption where it exists, and to assist law enforcement and prosecutors in the pursuit of justice.

Robert Vanderhorst set up a phony vendor to accept payments from the Clark County Auditor's Office, where he worked. Over the course of 16 years, he pocketed more than \$1.8 million through the scheme, using the proceeds for vacations, cruises, vehicles, and other purchases for his own benefit.

It was a brazen crime against the people of Clark County, and one that ultimately caught up to Vanderhorst, who recently was sentenced to seven years in prison, following an investigation by the Auditor of State's Special Investigations Unit (SIU) and the Clark County Prosecutor's Office.

The \$1.87 million in court-ordered restitution in the case was the largest resulting from SIU's work during my first term as Ohio's Auditor of State. Since I took office in 2019, SIU has secured 100 convictions for fraud on 171 criminal charges, resulting in more than \$5 million in restitution and findings for recovery totaling more than \$18.3 million. We're just getting started.

As Auditor of State, I've pledged to work to make government more efficient, effective, and transparent. My office, one of the five independently elected statewide posts in Ohio, is responsible for auditing more than 5,900 state and local government offices.

An important part of that work includes holding accountable those who lie, cheat, and steal public resources. SIU annually fields hundreds of allegations of wrongdoing and helps in the prosecution of those who abuse their positions of trust.

You can read about each of the convictions SIU has participated in since 2019, via an interactive online map at **Convictions Map (ohioauditor.gov)**.

This report provides a little more detail on some of the most egregious cases of wrongdoing that have resulted in prison terms for the perpetrators of those crimes. There's also information included on reporting your own suspicions of wrongdoing by public officials. If you see something (or suspect something), say something. SIU thoroughly reviews the tips it receives and pursues full investigations as merited.

We feel so strongly about this that I am pursuing resources to provide required training for local officials to assist them in reporting suspected fraud when warning signs of wrongdoing are evident.

For those public officials already caught up in fraud and thinking they're getting away with it, take note: We're coming for you next.





WELCOME NEW ASSOCIATE MEMBER W.E. QUICKSALL & ASSOCIATES, INC.

CORD is happy to welcome new Associate Members who help support the organization. In each issue of the CORD newsletter new Associate Members are invited to introduce CORD members to their firm, its history, and services provided. Associate Members who initially joined in 2022 or later and have not been introduced to the membership may submit summaries to Larry Long, Director of Membership Development, at <u>larrylongecordohio.org</u> for review and inclusion in the CORD Newsletter.



SPOTLIGHT ON CORD'S 2023 ASSOCIATE MEMBERS



CORD's Associate Membership Program is a vital membership category to help CORD provide needed legislative representation in the Ohio General Assembly and before state agencies; to provide legislative/information alerts and the CORD newsletter; and, to provide other member services, including monitoring litigation that may set precedents that can impact Districts. We are grateful to the following for their loyal support, assistance, and participation. CORD members are encouraged to express appreciation to our Associate Members who help support the organization.



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BITS AND PIECES FROM CORD

By: Larry Long, CORD Director of Membership Development

Calls for USEPA to Take Over State Efforts to Reduce Lake Erie's Harmful Algal Blooms

CORD has previously reported regarding the continuing battle between Ohio EPA and advocacy groups over the issue of Harmful Algal Blooms (HABs) in Lake Erie. A federal judge in Toledo ordered OEPA to submit a TMDL (Total Maximum Daily Load) Plan to USEPA as a part of a consent decree in a court action taken by the Environmental Law and Policy Center (ELPC) and was joined by the Lucas County Commissioners in the action. The Plan was submitted in June by OEPA, and USEPA has until September 30 to accept the Plan or produce its own.



The Plan establishes a framework for reducing phosphorus runoff into the Maumee by 40% compared with 2008 levels. But Rob Michaels with the Chicago-based ELPC "said the plan has serious flaws, including that it's based on achieving a 40% reduction in "total phosphorus" in the lake when the Ohio EPA should be targeting "dissolved reactive phosphorus," or DRP. Total phosphorus includes DRP and particulate phosphorus and the distinction between the two is important. The cyanobacteria in algal blooms feed far more efficiently off DRP to create dangerous toxins than it does particulate phosphorus, which is attached to sediment. "Cyanobacteria can gobble it up the way they can't the particulate phosphorus," Michaels said. That means a 40% reduction in total phosphorus could largely be achieved by reducing particulate phosphorus, which accounts for 80% of the total phosphorus that flows out of the Maumee and into Lake Erie, without putting much of a dent in the volume of dissolved phosphorus and consequently toxic algal blooms.

In an editorial, the Cleveland Plain Dealer characterized the plan as one that "begs the question of when Ohio will step up and take the issue seriously." According to Sany Bihn, the so-called "Lake Erie Waterkeeper", the two major deficiencies in the plan are that it excludes the type of phosphorus pollution driving the harmful algal blooms (much of which comes from factory farm livestock sewage) and it relies on spending more money on voluntary measures which have not worked. She calls on USEPA to reject Ohio's plan and prepare its own.



Harmful Algal Bloom (HAB)

Moving In-Moving Out

The U.S. Census Bureau recently released data measuring Americans who moved across state lines in 2021. For Ohio, it is estimated that 184,477 people moved to Ohio from other states and 189,534 moved to another state. The report also found approximately 1.23 million Ohioans moved within the state in 2021. Ohio ranked 16th for people moving in from another state. The top five states are Florida, 674,740; Texas, 591,395; California, 433,402; North Carolina, 336,681; and Georgia, 302,512. Among neighboring states, Pennsylvania led at 261,831, followed by Indiana, 156,417; Michigan, 143,042; Kentucky, 107,693; and West Virginia, 43,801.

Seat Belt Usage Down

Seat belt usage in Ohio has dropped to its lowest level in nearly two decades, according to the Department of Public Safety (ODPS). An Ohio study found that the statewide seat belt compliance rate dropped from 84.1% in 2021 to 80.8% in 2022, the lowest rate since 2005.

Economic Impact of Higher Education Touted

A study released by the Inter-University Council of Ohio (IUC) showed that Ohio's 14 public universities delivered \$68.9 billion in total economic impact in FY21-22. This is equal to 8.8 percent of the state's total gross state product. The analysis showed that the operations, construction, clinical, research, entrepreneurial, visitor, and student spending of the public universities, together with volunteerism and the enhanced productivity of their alumni, combined for the \$68.9 billion impact. The study concluded that the impact is larger than the entire healthcare and social assistance sectors of Ohio's economy. In addition to the economic impact, the study estimates that activities of the public universities and their students support 855,782 positions or one of every eight Ohio jobs.



Changes to Ohio Local Government Funds in State Budget

Local governments received their first look at what they may get from the Local Government Fund (LGF) under changes made in budget bill, HB 33 after the Ohio Department of Taxation (ODT) released the first estimates of distributions for calendar year 2024. The share of General Revenue Fund (GRF) tax revenue going to the LGF and the Public Library Fund (PLF) was increased from 1.66 percent to 1.7 percent for both, with the governor's estimating the additional transfer from the GRF of \$12 million of FY24 and \$12.6 million in FY25. The final version of the budget also increased the minimum floor for the amount counties can receive. Previously, they would receive the lesser of \$750,000 or the amount received in FY13, but the budget raised that to no less than \$850,000, though the allocations to other counties will be decreased proportionally. The LGF has been in existence since 1933 and provides funds for counties, townships, municipalities, and some park districts.

Creative Use of Water in Israeli City

Ensuring that every drop of water is used effectively is a priority in Eilat, Israel. In this water-starved region, officials use desalination to convert groundwater and seawater into potable water and treat wastewater for agricultural irrigation. Eliat, the southernmost town in Israel, is hemmed in between the desert and the Red Sea, isolated from the rest of Israel with no natural freshwater. Its drinking water is a combination of desalinated groundwater and seawater. After domestic use turns it into sewage, it is treated and then allocated to farmers, enabling the parched region to support agriculture. Eilat's water management techniques could become a model for other water-scarce areas. The United Nations states that reliable access to clean drinking water is a major issue for 2 billion people worldwide.



Grass Front Yards Illegal in Scottsdale, Arizona

The City Council in Scottsdale, Arizona has approved an ordinance prohibiting natural grass in the front yards of new single-family homes built in the City after August 15th. The City called it "a significant step towards amplifying the City's water conservation efforts." Feedback shows this is supported by 86% of water customers. For the past two years, Scottsdale set out to reduce the amount of water the City uses by 5%. Officials maintain that in the first six months of this year, the City reduced its water usage by 9% compared to what it was using on average over the past three years.

What's Up with the Solar and Wind Energy Generation?

The development of Solar and Wind Generation facilities can be a "hot-button" issue around the state. Ever wonder what is the role of the Ohio Power Siting Board, the Ohio EPA, County Commissioners, and Township Trustees in the approval process? Ever wonder about the tax implications of such facilities, tax abatement, and Payments-In-Lieu of Taxes (PILOT)? For those who need a basic overview of these issues, and others, the County Commissioners Association of Ohio (CCAO) has published an excellent manual that details many of the important local issues. The Commissioners' Manual for Renewable Energy Facilities can be found at: <u>ccao.org</u>

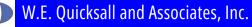
Other Legislation CORD IS Watching

- HB 64—EMINENT DOMAIN--Changes the law regarding eminent domain.
- HB 93–LIMITATIONS ON MUNICIPAL CERTIFICATION OF DELINQUINCIES–Regarding limitations on recovery and lien imposition by municipalities against property owners of non-owner-occupied properties for unpaid water, sewer, and disposal services rates and charges. Does not currently include Regional Districts.
- HB 193–BIOSOLID LAGOONS, BIO-DIGESTION FACILITIES–Establishes procedures and requirements governing biosolid lagoons and bio-digestion facilities, including granting county and township zoning authority over those lagoons and facilities.
- HB 211–PUBLIC COMMENT REQUIREMENTS—To establish the Free to Speak Act and to require a public body to permit members of the public to comment or testify about matters of public concern before the public body at its public meeting.
- HB 257 VIRTUAL MEETINGS FOR PUBLIC BODIES—To authorize certain public bodies, including regional water and sewer districts, to meet virtually, and to declare an emergency.
- HR 108–URGE CONGRESS TO CREATE INFRASTRUCTURE BANK–Urging Congress to create a National Infrastructure Bank to finance urgently needed infrastructure projects.
- SB 23–PURCHASING AUTHORITY-CONSTRUCTION SERVICES–Expands political subdivision joint purchasing authority to include purchases for construction services.
- SB 87-ELECTIONS-STATE LEGAL HOLIDAY-Establishes the day of each general election as a legal holiday for which government employees receive paid leave.
- SB 91–PUBLIC FUNDS ABUSE, WASTE–Regarding fraud, waste, and abuse of public funds
- SB 96-LABOR LAW NOTICES-POSTING-Allows employers to post certain labor law notices on the internet.
- SB 113—SELECTIVE SERVICE REGISTRATION REQUIREMENT- PUBLIC OFFICE—Prohibits a person who fails to comply with the Military Selective Service System from holding a public office or employment with the state and any political subdivision.

THE CORD REPORT | FALL 2023 FOR MORE INFORMATION CONTACT LARRY LONG, DIRECTOR OF MEMBERSHIP DEVELOPMENT: <u>LARRYLONG@CORDOHIO.ORG</u> OR CATINA TAYLOR, EXECUTIVE ASSISTANT: <u>CATINA.TAYLOR@ALBERSLAW.COM</u>







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