

**WATER SERVICE AGREEMENT BETWEEN THE CITY OF CINCINNATI
AND THE VILLAGE OF SOUTH LEBANON, OHIO**

THIS AGREEMENT, made and entered into this 3RD day of JUNE, 2010, by and between the City of Cincinnati, Ohio, herein sometimes referred to as "Cincinnati" acting through its City Manager and the Village of South Lebanon, Ohio, herein sometimes referred to as "South Lebanon" acting through its Mayor:

WITNESSETH

WHEREAS, Cincinnati owns and operates the Greater Cincinnati Water Works, a public water supply system and has surplus water for sale; and

WHEREAS, South Lebanon desires on behalf of the customers it serves to purchase surplus water from Cincinnati on a wholesale basis; and

WHEREAS, South Lebanon has the responsibility of providing a safe, clean, adequate supply of water to the citizens and other consumers in the Village of South Lebanon and the surrounding water service area; and

WHEREAS, South Lebanon also desires to pay a monthly usage payment based on the amount of water used through the master meter(s); and

WHEREAS, South Lebanon seeks to reduce operating expenses, and desires to improve service to its customers by providing water treated by Cincinnati beyond the current capabilities of the South Lebanon treatment plant, and ensure a plentiful supply of water for its customers; and

WHEREAS, the sale of surplus water by Cincinnati to South Lebanon will benefit existing Cincinnati customers by further spreading and reducing the unit base costs to produce water;

NOW, THEREFORE, in consideration for the promises, covenants, terms and conditions contained herein, the parties hereby agree as follows:

Section 1. Purpose of the Contract.

The purpose of this Agreement is to establish the terms and conditions under which Cincinnati will provide wholesale water service during the contract period to the Village of South Lebanon. Except for infrastructures as specified herein, it is expressly understood and agreed by the parties that South Lebanon, in paying the cost and charges set forth herein, is purchasing water and wholesale water service and not any Cincinnati-owned portions of the physical plant, mains, or other property used in providing said water and wholesale water service. Nothing herein shall be construed to imply Cincinnati's ownership of, or responsibility for,

the South Lebanon distribution system including but not limited to improvement, maintenance, repair, or the quality of the water beyond the master meter as required by the Ohio Environmental Protection Agency's regulatory standards, except as may be agreed upon herein or otherwise in writing.

Section 2. Agreement Duration, Termination, and Default

- A. This Agreement shall be in force for a period of 40 years commencing upon the date of its execution by Cincinnati, the final executing party. Thereafter, this Agreement will automatically renew for successive ten (10) year periods, unless terminated by one party providing the other party with no less than eighteen (18) months written notice of its intent to terminate the Agreement. South Lebanon will begin accepting wholesale water from Cincinnati on January 31, 2013, the exact time of day to be mutually determined, or a date prior to January 31, 2013 mutually agreed to in writing by the Director of the Greater Cincinnati Water Works and the Mayor of the Village of South Lebanon.
- B. Upon default of any of the terms of this Agreement including but not limited to failure to pay rates and charges, violation of any material provision of this Agreement, law, or regulation, the non-defaulting party may terminate this Agreement by giving a 180-day notice; however, during the 180-day notice period, the defaulting party shall have the right to cure any such default. The right-to-cure period may be extended upon mutual agreement of both parties. Should South Lebanon default during this Agreement, it will be required to pay all resultant damages which may include all of Cincinnati's costs, including any principal and interest incurred by Cincinnati to the date of the default, and for any remaining principal and interest incurred by Cincinnati on behalf of South Lebanon for any capital improvements subject to this Agreement and any subsequent amendments to this Agreement.

Section 3. General Supply of Water

- A. Cincinnati recognizes that a reliable supply of water to South Lebanon and the South Lebanon Water Service Area defined in Section 4 of this Agreement, is of primary importance for fire suppression, drinking water, and all other public water purposes. Cincinnati pledges to use its reasonable efforts to provide a potable, stable, and adequate supply of water in the quantities anticipated by this Agreement. If a disruption of service should occur as in the case of water main breaks, serious damage to reservoirs or pumping stations, or other emergencies, Cincinnati will use its reasonable efforts to repair as soon as possible any infrastructure damage resulting in a reduction of service.
- B. It is understood and agreed that the supply of water by Cincinnati is at all times dependent upon the existence of a surplus supply of water beyond the water needed for consumers located within the City of Cincinnati. Cincinnati

shall not be liable for any damages or failure to furnish water or minimum pressure except where failures result from a breach of this Agreement, but in no event shall Cincinnati be liable for consequential or special damages by reason of any failure to furnish water or minimum pressure, it being understood that the supply of water or minimum pressure is not guaranteed to consumers served hereby or to consumers residing within the limits of the City of Cincinnati.

- C. In recognition of the need to properly plan for an adequate supply of finished water for the customers of the Greater Cincinnati Water Works, water supplied in accordance with this Agreement shall be used only in the defined Service Area as outlined in Section 4 of this Agreement together with any service area expansions provided herein.

Section 4. Water Service Area Defined

The South Lebanon Water Service Area, hereinafter referred to as the Service Area, means the area to be served with wholesale water from Cincinnati per the terms of this Agreement and delineated on the map attached to this Agreement as "Exhibit A." The wholesale water service area outlined in Exhibit A includes the existing service area as of the execution date of this Agreement. All areas annexed into the Village of South Lebanon and to which South Lebanon has service rights shall automatically be incorporated into the South Lebanon Water Service Area and shall be incorporated into the Service Area map attached hereto as Exhibit A per the requirements outlined in Section 24 of this Agreement.

Section 5. South Lebanon Responsibilities

- A. South Lebanon grants to Cincinnati the exclusive right to provide wholesale water service to the Service Area. South Lebanon agrees to purchase 100% of its wholesale water service requirements from Cincinnati no later than January 31, 2013 for the Service Area. No water service shall be supplied to this Service Area by others unless permitted to do so by Cincinnati due to an emergency condition. An emergency condition shall mean any situation arising from fire, flood, storm, breakdown of a water system or unpotable condition of water in a water system, or a similar water condition causing an immediate threat to the life, health or property of the customers served by South Lebanon.

South Lebanon retains the right to maintain its existing emergency water service agreement with Warren County, and to modify or extend this emergency supply agreement with Warren County as South Lebanon deems necessary.

- B. South Lebanon grants the right to use all of its easements and property required by Cincinnati in the construction of any master meter pits and water

mains required for the distribution of water service within the South Lebanon Service Area and future surrounding areas served by Greater Cincinnati Water Works. Costs for any permits required for the construction of any master meter pits and water mains necessary to serve the South Lebanon Service Area shall be the responsibility of South Lebanon.

- C. South Lebanon shall be responsible for all costs and maintenance for all capital improvements from the discharge side of the master meter connection located at the intersection of Mason-Morrow-Millgrove Road and Turtlecreek Road required for the transmission of wholesale water to South Lebanon, except for the capital cost for a 12-inch water main from the master meter to the intersection of Mason-Morrow-Millgrove Road and State Route 48 described in Section 6(F) of this Agreement. The master meter shall be in the right-of-way of Mason-Morrow-Millgrove Road, but not located within the pavement.
- D. South Lebanon shall, throughout the term of this Agreement, allow unlimited, unrestricted Cincinnati access to the master meter(s) and pits, and other appurtenances, through which water supplied by Cincinnati is conveyed for the purpose of maintaining or monitoring Cincinnati-owned equipment. Access shall not be construed to require Cincinnati to perform on-going inspection, monitoring, maintenance, and/or repair of the meter chamber(s), meter pit(s), or meter appurtenances owned and maintained by South Lebanon.
- E. South Lebanon will retain ownership and operational responsibilities for its water system storage and distribution facilities.
- F. South Lebanon will close down all existing wells and their treatment plant on the same day in which the provision of wholesale water service commences from Cincinnati. Until the provision of water service from Cincinnati commences, South Lebanon shall be responsible for treating the water supply in order to maintain compliance with all United States Environmental Protection Agency (USEPA), Ohio Environmental Protection Agency (OEPA), and Safe Drinking Water Act requirements as part of the water service transition plan. South Lebanon shall retain ownership of and maintenance and security responsibilities for the existing wells and treatment plant facilities and grounds.
- G. At the time the provision of wholesale water service from Cincinnati to South Lebanon commences on January 31, 2013 or a date prior to January 31, 2013 mutually agreed to in writing by both parties to this Agreement, South Lebanon shall be responsible for maintaining the water supply beyond the discharge side of the master meter within its distribution and storage systems to maintain compliance with all United States Environmental Protection Agency (USEPA), Ohio Environmental Protection Agency (OEPA)

requirements, and Safe Drinking Water Act requirements for the life of this Agreement.

Section 6. Cincinnati Responsibilities

A. Cincinnati, beginning January 31, 2013 at an exact time to be determined by mutual consent of both parties, or such earlier date and time as provided in Section 2(A), shall be responsible for providing South Lebanon a minimum of 270,000 gallons per day of water on a wholesale basis to the Service Area. As detailed on Exhibit B of this Agreement entitled "Minimum Daily Consumption Requirements Schedule," the minimum daily consumption level shall increase on February 1st 2014, 2019, 2024, 2029, 2034, 2039, and 2044. The maximum amount of water taken in any day shall be limited to 1.2 million gallons for the life of this Agreement. Daily maximum provision levels can be adjusted by mutual consent of both parties to this Agreement by a written Memorandum of Understanding. The hourly maximum shall be limited to the daily minimum average times 2.0.

B. Water sold by Cincinnati to South Lebanon, at the point of the discharge side of the master meter located at the intersection of Mason-Morrow-Millgrove Road and Turtlecreek Road (point of metering), shall meet all applicable regulatory standards of the United States Environmental Protection Agency, the Ohio State Environmental Protection Agency, and the Safe Drinking Water Act, including any amendments or new legislation enacted after the execution of this Agreement.

Beyond the discharge side of the master meter located at the intersection of Mason-Morrow-Millgrove Road and Turtlecreek Road, South Lebanon shall be responsible for meeting water quality standards as specified in Section 5(G).

C. Cincinnati shall provide sufficient water pressure so that the discharge side of the master meter will be at a minimum hydraulic gradient of 870 feet.

D. Cincinnati shall be responsible for financing and installing all capital improvements associated with the transmission of water to the master meter located at the intersection of Mason-Morrow-Millgrove Road and Turtlecreek Road, including but not limited to the construction of the master meter pit(s)." Cincinnati will also provide two T-stubs along a proposed 20 inch water main along Mason-Morrow-Millgrove Road. The T-stubs will be installed by GCWW as part of the installation of the 20 inch water main along Mason-Morrow-Millgrove Road, and may be potentially used by South Lebanon for future development within South Lebanon.

E. Cincinnati shall be responsible for maintaining 250,000 gallons of storage to the South Lebanon water system. South Lebanon will maintain and operate

the existing elevated storage tank located on Morgan Road so that Cincinnati can fill this storage tank at GCWW defined non-peak electrical power usage periods and allow tank to drain during peak electrical periods. Water will be provided to the Village of South Lebanon through a remotely controlled valve inside the master meter pit located at the intersection of Mason-Morrow-Millgrove Road and Turtlecreek Road. This valve will be operated by Cincinnati, but only upon direct authorization from the established representative of the Village of South Lebanon. GCWW will, if necessary, provide water through the valve up to 25% of the total daily demand during peak electrical periods.

Both parties to this Agreement shall make their best efforts to ensure that the water distribution system operates at its maximum efficiency in regard to appropriate flow, usage, and energy consumption, including the efficient utilization of electrical power to support the transmission of water from various sources within the water distribution system.

- F. Cincinnati will install and pay for approximately 700 feet of 12-inch water main from the discharge side of the master meter to State Route 48. This 12-inch main shall be installed per GCWW standards. Cincinnati shall also be responsible for the administration of the project and the inspection process, which GCWW shall coordinate as to timing with the proposed Warren County construction project to interconnect the County North and South Wellfields via a 24 inch high pressure water main through the Village of South Lebanon. It is the intent of South Lebanon to share an easement (co-locate) along the Oeder property frontage with Warren County. Warren County shall be responsible for obtaining the necessary easement in the name of South Lebanon and/or the City of Cincinnati. If such easement is not obtained by Warren County in a timely manner so as not to impede Cincinnati's progress, Cincinnati may instead occupy the South Lebanon street right-of-way. Any costs related to any permits required for the installation of this 12-inch main shall be covered by South Lebanon.
- G. Responsibility for the operation and maintenance of this 12-inch main, including the maintenance and operation of valves, shall be assumed by South Lebanon after completion of the project by Cincinnati. Cincinnati will retain ownership of this asset until all debt and obligations related to the construction and installation of this 12-inch main are retired. Should this Agreement expire or be terminated per the provisions in Section 2(B) of this Agreement prior to the retirement of all debt and obligations related to this 12-inch main, Cincinnati shall retain ownership. Upon the retirement of all debt and obligations in accordance with Section 2(B) related to the construction and installation of this 12-inch main, Cincinnati shall grant ownership of this asset to South Lebanon.

Section 7. Master Meters and Meter Pits

- A. Cincinnati shall be responsible for purchasing and installing the master meter(s) and all related valves and appurtenances in a meter pit to be located at the intersection of Mason-Morrow-Millgrove Road and Turtlecreek Road. The master meter(s) shall be purchased and installed per Cincinnati specifications.
 - B. Cincinnati shall own and be responsible for maintaining, repairing, and if necessary, replacing the master meter(s), valves, piping and related equipment at no cost to South Lebanon.
 - C. South Lebanon agrees that upon completion of the final Cincinnati inspection and approval, the master meter(s), valves, piping and the equipment enclosure(s) will remain the property of Cincinnati.
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- D. Once constructed and installed by Cincinnati, the meter pit(s) will become be the property of South Lebanon. South Lebanon will be responsible for any improvements, maintenance, or repair of the master meter pit(s), including maintaining a dry environment in the master meter pit.
 - E. Cincinnati shall perform an annual calibration of the master meter and provide all results to South Lebanon. South Lebanon retains the right to have additional master meter calibrations performed at South Lebanon's cost by a testing facility of South Lebanon's choosing. The master meter shall have an accuracy consistent with AWWA standards.
 - F. Cincinnati shall have the right to install any meter reading or collector equipment necessary to collect master meter readings for the purpose of tracking water consumption at or adjacent to any master meters subject to this Agreement.

Section 8. SCADA and System Monitoring

- A. Cincinnati shall purchase, own, and install Cincinnati's Supervisory Control and Data Acquisition (SCADA) monitors for water flow, pressure, water quality or other devices as needed to monitor wholesale water supplied to South Lebanon. The location of SCADA equipment shall be near the master meter pit located at the intersection of Mason-Morrow-Millgrove Road and Turtlecreek Road in an enclosure to be built at Cincinnati's expense and according to Cincinnati specifications and other current and future locations deemed appropriate by Cincinnati, including the installation of SCADA equipment at or on facilities owned by South Lebanon.
- B. Cincinnati agrees to work with South Lebanon to allow connections between the new SCADA monitors and equipment and South Lebanon's current monitoring system if so desired by South Lebanon. The SCADA and any other monitoring devices will be purchased, constructed and installed

according to Cincinnati specifications at South Lebanon's expense, including any daily operational and power expenses.

- C. Cincinnati will maintain and service the SCADA equipment and any other monitoring instruments installed by Cincinnati for the purposes outlined in Section 8(A) and Section 8(B) of this Agreement.

Section 9. Fire Hydrants

The installation of new and maintenance of existing fire hydrants within the Service Area shall be the responsibility of South Lebanon.

Section 10. Material and Workmanship

- A. All materials and workmanship for any capital improvements, master meters, SCADA and system monitoring equipment, financed, installed, owned and maintained by Cincinnati shall conform to the engineering standards of design used for the Cincinnati Water System and to the Cincinnati Rules and Regulations.
- B. Cincinnati shall assume no liability for materials or workmanship for any capital improvements or equipment related to the water distribution system and related facilities that shall be and remain the sole responsibility of South Lebanon.

Section 11. Rates, Billing and Payments

- A. South Lebanon shall pay for wholesale water furnished based on monthly billings for hundreds of cubic feet. The 2009 rate for wholesale water shall be \$1.99 per thousand gallons of water. This is equivalent to a rate of \$1.49 per ccf. This initial 2009 rate of \$1.49 per ccf is 1.12 times the current rate paid by Cincinnati residential customers in the monthly consumption bracket for usage over 60,000 cubic feet ("Inside City 3rd Rate Block"). The 1.12 differential factor applicable to wholesale water furnished to South Lebanon shall not change except by an amendment to this Agreement. Council of the City of Cincinnati or subsequent authority may, from time to time, fix by ordinance the charges for water supplied to the City of Cincinnati consumers and other retail and wholesale customers. Future rate increases to South Lebanon shall be automatically increased (without the necessity for an amendment to this Agreement) on the effective date of the increase as the Council of the City of Cincinnati or subsequent authority increases those rates to City of Cincinnati consumers.
- B. Should South Lebanon consume less water for any of the twelve month periods outlined on the "Daily Consumption Requirements Schedule" – Exhibit B, South Lebanon will be billed the difference between the actual

consumption for the twelve month period and the required per year consumption for the twelve month period. South Lebanon will be billed for the difference in consumption at the rate in effect as of August 1st for that 12 month period. The charge for the difference in consumption will be included on the bill for the services and consumption for the month of February (billing statement mailed in March).

C. South Lebanon agrees to make five annual payments of \$33,333 beginning in 2010 and ending in 2014, and a payment of \$33,335 in 2015 for a total payment of \$200,000 to assist with defraying a portion of Cincinnati's initial cost associated with this Agreement. The payments will be due by January 1, 2010; January 1, 2011; January 1, 2012; January 1, 2013; January 1, 2014; and January 1, 2015.

~~D. Bills for water shall be rendered monthly by Cincinnati and shall be based upon the amount of water furnished during the preceding month as shown by the master meter(s). Each such bill shall set forth master meter readings and the amounts of water consumed through each meter.~~

E. Payment shall be made by South Lebanon on or before the due date stated on the bill (currently twenty-one (21) days after issuance). If such bill is not paid by the due date, a service charge shall be added at a rate charged by Cincinnati to its customers per month (currently 0.83% per month).

Section 12. Water Transition Plan

A. Approximately eighteen (18) months prior to the mutually agreed upon wholesale water service delivery date, the Parties to this Agreement will develop a written water transition plan that shall include, but not be limited to, stipulations for temporary backflow protection of the Cincinnati water supply, and flushing and blending of the existing South Lebanon distribution system water supply in conjunction with the initial delivery of Cincinnati water.

B. The Parties to this Agreement, as part of the Transition Plan and the initial delivery of Cincinnati water, will make best efforts to ensure that a plentiful supply of clean and safe water, which complies with all United States Environmental Protection Agency (USEPA), Ohio Environmental Protection Agency (OEPA), and Safe Drinking Water Act requirements, can be readily supplied to South Lebanon per the terms of this Agreement.

C. At the time this Agreement is executed, Cincinnati, in conjunction with South Lebanon, will meet and discuss water quality requirements for the entire South Lebanon water service area to determine if any short-term or long-term improvements or modifications are required by South Lebanon to meet Ohio Environmental Protection Agency (OEPA) water quality requirements.

- D. Should additional operational investment and/or capital investment be necessary to achieve all applicable Ohio Environmental Protection Agency (OEPA) water quality standards within the South Lebanon water system, the Director of the Greater Cincinnati Water Works and the Mayor of South Lebanon will, through a mutually agreed upon Memorandum of Understanding, determine the scope, cost and schedule for any necessary operational and/or capital improvements. Any improvements required within the South Lebanon Water Service Area resulting from any Memorandum of Understanding shall be the responsibility of South Lebanon.

Section 13. Planning & Annual Meeting

Each year of this Agreement at a date and time mutually agreed upon by both parties to this Agreement, the Director of the Greater Cincinnati Water Works and various staff members selected by the Director, will meet with the Mayor of South Lebanon and various staff members selected by the Mayor to discuss issues related to this Agreement and general utility industry issues that may include, but not be limited to, future growth and demands of the Service Area, regional planning, management and technology trends, and potential amendments to this Agreement.

Section 14. Successor. Assignment

The Village of South Lebanon acknowledges and agrees that the work or services covered by this Agreement may be assigned to a successor water district of the Greater Cincinnati Water Works without the prior written approval of South Lebanon. Any work or services assigned to a successor hereunder shall be subject to each provision of this Agreement and any subsequent amendments. This provision is only applicable if the City of Cincinnati transfers the entirety of its city water works services and assets to another political subdivision or entity.

Section 15. Severability

In the event that any provision of this Agreement is declared to be unlawful, invalid, or unconstitutional, such declaration shall not affect, in any manner, the legality of the remaining provisions. Each provision of this Agreement will be and is deemed to be separate and separable from each other provision.

Section 16. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than Cincinnati or South Lebanon.

Section 17. Limitations

To the fullest extent permitted by law, neither party shall be liable to the other party for any special, indirect, or consequential damages resulting in any way from the performance of the services.

Section 18. Governing Forum

Any controversies between and among the parties hereto arising from this Agreement shall be litigated in the State or Federal Courts located in Hamilton County, Ohio.

Section 19. Conflict Resolution

South Lebanon and Cincinnati agree to form, on an as-needed basis, a Conflict Resolution Committee (CRC) to attempt to resolve issues arising from Agreement language, construction of the infrastructure, water quality concerns, or other matters of mutual concern or conflict.

After 60 calendar days of discussion, if the Parties cannot reach agreement on the item(s) at issue, any Party may declare an impasse and request, in writing, to all others that the unresolved issue or issues be submitted to a three-person advisory CRC. South Lebanon shall name one member of the CRC, Cincinnati shall name a member, and the two members so named shall designate a third member. The three CRC members shall select one of their number to serve as chairperson.

The CRC shall have the authority to hold hearings and to confer with representatives of Cincinnati and South Lebanon independently or otherwise before making any recommendations.

The CRC shall act in an advisory capacity only and issue a written report to each Party setting forth a proposed resolution as to each issue. The CRC report shall be issued within 15 calendar days after the final hearing or meeting date unless a majority of the CRC extends its deadline by not more than ten (10) additional days.

Within ten (10) days of issuance of the CRC report, Cincinnati and South Lebanon shall indicate their acceptance or rejection of the recommendations of the CRC. If all representatives of the Parties to this Agreement accept the recommendations of the CRC, the accepted recommendations shall be memorialized upon execution of a letter or memorandum of understanding, or, if legally required, recommendation to their respective controlling boards, councils, or commissions for formal adoption and/or amendment of this Agreement.

Should any Party fail to accept the CRC recommendation, the Parties shall continue discussions for a 30-day calendar period. If within that 30-day period

the issue is still not resolved, the recommendation(s) not accepted shall not bind the Parties and any Party may pursue its legal remedies. Nothing contained herein shall limit the right of any Party to seek legal recourse at any time and whether or not any time period prescribed herein is exhausted.

The Parties shall pay the expenses of their respective appointees to the CRC, and equally share the expenses of the Committee.

Section 20. Notices

Except as may otherwise be provided herein, all notices, demands, requests, and other communications under this Agreement shall be in writing and shall be either personally delivered, sent by registered mail, or sent by courier to the following addresses (or to such other address as may be designated by written notice transmitted in accordance with this provision):

In the Case of Cincinnati, to: Director, Greater Cincinnati Water Works
City of Cincinnati
4747 Spring Grove Avenue
Cincinnati, Ohio 45232

In the Case of South Lebanon, to: Mayor
Village of South Lebanon
99 North High Street
South Lebanon, Ohio 45065

Section 21. No Waiver

A waiver of any breach of any provision of this Agreement shall not constitute or operate as a waiver of any other breach of such provision or of any other provisions, nor shall any failure to enforce any provision hereof operate as a waiver of such provisions or of any other provision.

Section 22. Liability of Agents or Employees

No officer, agent, or employee of any party hereto shall be charged personally or held contractually liable by or to any party under the provisions of this Agreement, or because of any breach thereof or because of its or their execution or attempted execution.

Section 23. Excusable Delay

Each party shall be excused from performing any of its respective duties, obligations, or undertaking provided in this Agreement (except any obligations to pay any sums of money) in the event and so long as the performance of such duty, obligation, or undertaking is prevented, delayed, retarded, or hindered by unforeseeable causes beyond the control and without fault or negligence

including, but not limited to an act of God, acts or delays of another party, litigation, unusually severe weather, epidemics, quarantine restrictions, fire, earthquake, flood, explosion, war, invasion, insurrection, riot, mob violence, civil commotion, sabotage, malicious mischief, strike, lock-out, action of labor unions, condemnation, governmental restriction, order of civil or military or naval authorities, embargo, impossibility of obtaining materials, delays of contractors, subcontractors, or materialmen due to such causes, or any other causes whether similar or dissimilar to the foregoing, not within the reasonable control of the party in question (specifically excluding delays resulting from a party's inability to obtain financing or a party's lack of capital, except if due to the default of another party), provided that a party entitled to such extension shall: (a) give prompt written notice to the other parties as soon as possible (no later than thirty days) after the occurrence causing such delay, asserting its claim of right to such extension and the reasons therefore and the duration thereof, or, if continuing, the estimated duration thereof; and (b) if the delay is continuing on the date of notification, within thirty days after the end of the delay, notify the other parties in writing of the duration of the delay.

Section 24. South Lebanon Service Area Expansion

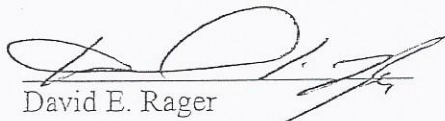
Expansion(s) of the South Lebanon Service Area may be agreed to pursuant to the terms and conditions of this Agreement upon mutual consent of South Lebanon and Cincinnati. If South Lebanon desires to establish additional retail and/or wholesale water areas to which South Lebanon has or will obtain service rights, the Director of the Greater Cincinnati Water Works shall determine if excess capacity is available. Upon mutual consent, the Director of the Greater Cincinnati Water Works and the Mayor of South Lebanon shall execute a Memorandum of Understanding that includes a statement of concurrence on the capital improvements required to be completed prior to commencement of service to the Additional South Lebanon Service Area(s), and the sharing, allocation or assignment of all costs associated with such capital improvements. For each additional South Lebanon Service Area, the parties shall attach an Appendix to the Agreement delineating the new area to be provided water service by South Lebanon.

Section 25. Entire Agreement, Amendment

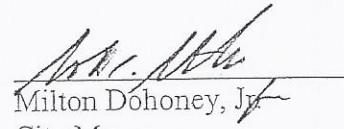
This Agreement constitutes the entire understanding of the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect. Notwithstanding any representations to the contrary or other acts, the parties are not bound to the provisions of this Agreement prior to full and final execution of this document by all parties. Except for expansion of the South Lebanon Service Area pursuant to a Memorandum of Understanding as allowed in Section 24 above, this Agreement may be amended only by a written amendment duly authorized and executed by all parties.

IN WITNESS WHEREOF, The City of Cincinnati, acting by and through its City Manager duly authorized by Ordinance No. 123-2010 and South Lebanon, acting by and through its Mayor duly authorized by Resolution No. 2009-21 have executed this agreement on this day 3rd of JUNE 2010.

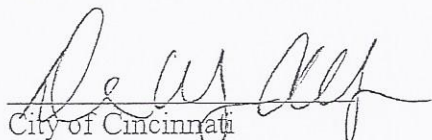
RECOMMENDED:


David E. Rager
Director
Greater Cincinnati Water Works

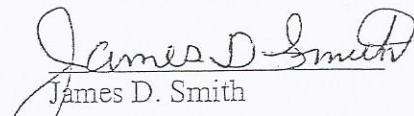
CITY OF CINCINNATI:


Milton Dohoney, Jr.
City Manager

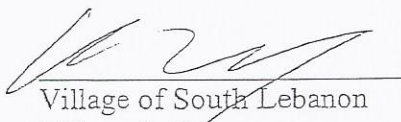
APPROVED AS TO FORM:


City of Cincinnati
Assistant City Solicitor

VILLAGE OF SOUTH
SOUTH LEBANON:


James D. Smith
Mayor

APPROVED AS TO FORM:


Village of South Lebanon
Village Solicitor

CERTIFICATION OF FUNDS:

Date: JUN 03 2010

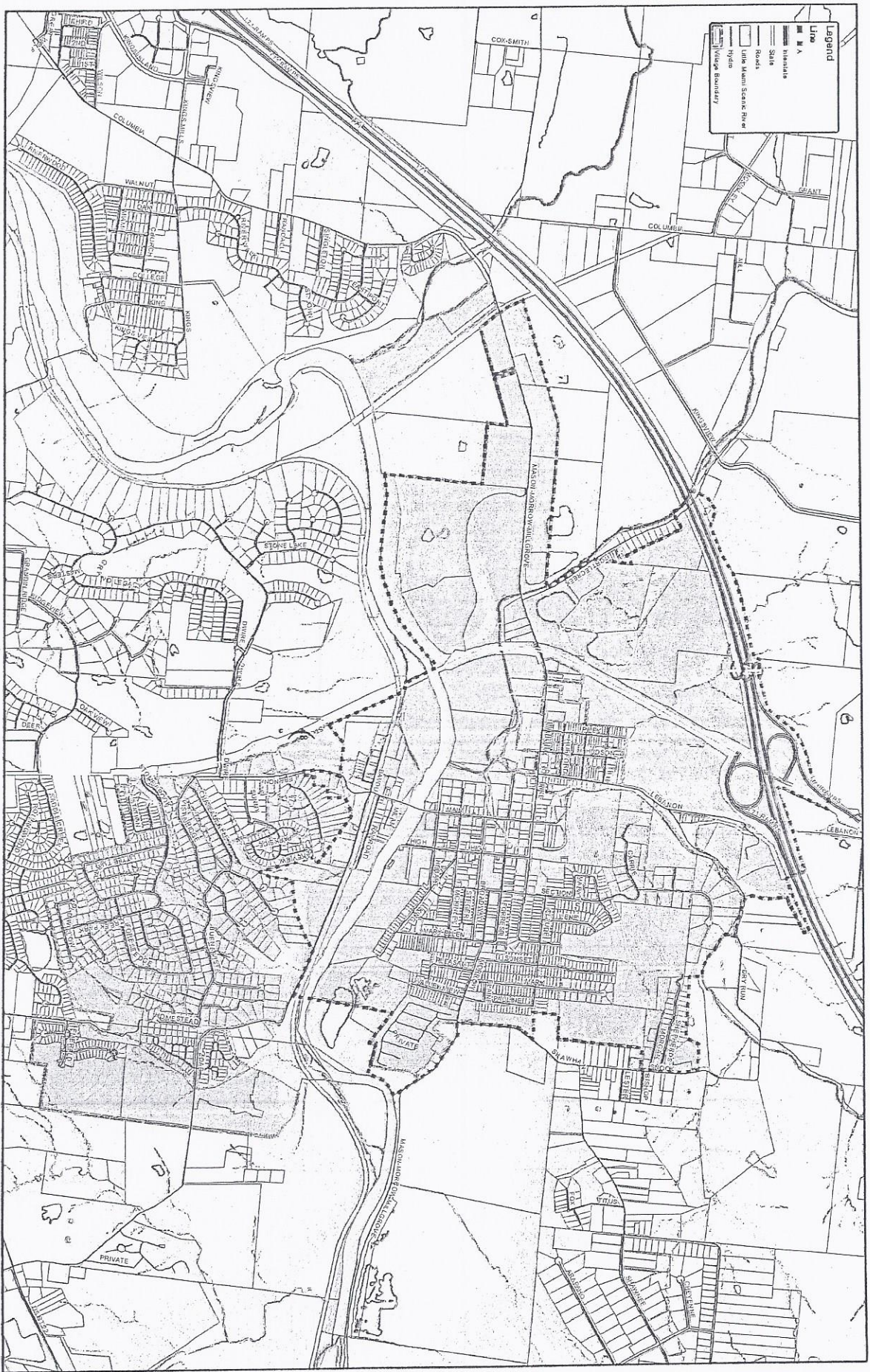
Coding: ~~CERTIFICATION OF FUNDS NOT REQUIRED~~

Amount:


Cincinnati Finance Director

Exhibit "A" - Existing Service Area


 0 250 500 1,000 Feet
 October 6, 2009



SOUTH LEBANON Water System

VILLAGE OF SOUTH LEBANON WHOLESALE WATER SERVICE AGREEMENT
DAILY CONSUMPTION REQUIREMENTS SCHEDULE - EXHIBIT B

<u>Period</u>	Required Gallons <u>Per Day</u>	Required Gallons <u>Per Year</u>	Required CCF <u>Per Day</u>	Required CCF <u>Per Year</u>
January 31, 2013 to January 31, 2014	270,000	98,550,000	361	131,765
February 1, 2014 to January 31, 2019	310,000	113,150,000	414	151,110
February 1, 2019 to January 31, 2024	330,000	120,450,000	441	160,965
February 1, 2024 to January 31, 2029	360,000	131,400,000	481	175,565
February 1, 2029 to January 31, 2034	380,000	138,700,000	508	185,420
February 1, 2034 to January 31, 2039	400,000	146,000,000	535	195,275
February 1, 2039 to January 31, 2044	420,000	153,300,000	561	204,765
February 1, 2044 to January 31, 2048	440,000	160,600,000	588	214,620

