

MADISON TOWNSHIP JOINT ECONOMIC DEVELOPMENT DISTRICT CONTRACT

This Madison Township Joint Economic Development District Contract (the "Contract") is made and entered into as of June 30, 2010, by and among the City of Columbus ("Columbus"), the Village of Ashville ("Ashville"), and the Township of Madison, Pickaway County, Ohio ("Madison") in accordance with the terms and provisions set forth herein.

RECITALS

A. Columbus, Ashville and Madison (the "JEDD Parties", each a "JEDD Party"), have entered into an Annexation Moratorium Agreement (the "Annexation Moratorium Agreement"), dated as of June 30, 2010, to place a moratorium on annexation within the Madison Township portion of the Northern Industrial Area, as defined herein, to allow for joint economic development within such area.

B. The JEDD Parties intend to enter into this Contract to create and provide for the operation of the Madison Township Joint Economic Development District (the "District") as a joint economic development district in accordance with Sections 715.72 through 715.81 of the Revised Code for their mutual benefit and for the benefit of their residents and of the State of Ohio (the "State").

C. Columbus is a municipality located primarily within Franklin County, Ohio and Madison is located within Pickaway County, Ohio. Ashville is a municipality located in Pickaway County. Franklin County and Pickaway County are adjacent counties. In accordance with Section 715.72(C)(1) of the Ohio Revised Code, the territory of each of the JEDD Parties is

contiguous to the territory of at least one other JEDD Party, or contiguous to the territory of a township or municipal corporation that is contiguous to another JEDD Party.

D. The legislative authorities of the JEDD Parties have each approved, authorized and directed the JEDD Parties to make and enter into this Contract by and through their respective officers in accordance with Ordinance No. 1787-2008, enacted by the City Council of Columbus on February 9, 2009, Ordinance No.2007-04 enacted by the Village Council of Ashville on May 21, 2007, and Resolution No.09-01, adopted by the Board of Township Trustees of Madison on December 29, 2009.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Contract, the JEDD Parties agree and bind themselves, their agents, employees and successors, as follows:

Section 1. Creation of District: Name. The JEDD Parties, by their combined action evidenced by the signing of this Contract, hereby create a joint economic development district in accordance with the terms and provisions of this Contract. The joint economic development district created pursuant to this Contract shall be known as the "Madison Township Joint Economic Development District". The Board of Directors (the "Board") of the District may change the name of the District by resolution of the Board.

Section 2. Contracting Parties. The contracting parties (referred to herein as the JEDD Parties) to this Contract are Columbus, a municipal corporation existing and operating under the laws of the State, including its Charter, Ashville, a municipal corporation existing and operating under the laws of the State, and Madison, a township existing and operating under laws of the State, and their respective successors in all or in part.

Section 3. Purpose. In accordance with R.C. 715.72(C), the JEDD Parties intend that the creation and operation of the District shall, and it is the purpose of the District to, facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the State, Pickaway County, Columbus, Ashville, Madison and the District.

Section 4. Territory of the District. The territorial boundaries of the District are described in **Exhibit A** attached to and made part of this Contract. The territory of the District is located entirely within Madison and does not include any "parcel of land", as defined in R.C. 715.70(B)(1), that is owned in fee by or is leased to a municipal corporation or a township. Franklin County and Pickaway County are adjacent counties as required by R.C. 715.72(B), and the territory of each JEDD Party is contiguous to the territory of at least one other JEDD Party or contiguous to the territory of a township or municipal corporation that is contiguous to another JEDD Party, as required by R.C. 715.72(C)(1). No electors reside or shall reside within the area or areas comprising the District and no part of the area or areas comprising the District is or shall be zoned for residential use, as required by R.C. 715.73(B).

Section 5. Addition and Removal of Areas from District. Subject to and consistent with R.C. 715.761 and any other applicable provisions of the Ohio Revised Code now existing or hereafter adopted, this Contract, including **Exhibit A** hereto, may be amended from time to time to add certain property within Madison to the territory of the District. More specifically, only property located within the territory generally defined as the area of Madison south of the Franklin County line and bounded by the township line to the west, the Walnut Creek to the east and Duval Road to the south, which area is depicted on the map attached as **Exhibit B** (the "Northern Industrial Area"), shall be eligible to be added to the Madison Township JEDD.

Property may be added to the District upon the filing of a petition pursuant to R.C. 715.761(C)(6) and R.C. 715.76(F), where: (a) such petition is signed by all of the owners of that property (and signed by all of the owners of businesses, if any) with the Board; (b) a resolution approving the addition of the area is unanimously approved by the Madison township trustees; and (c) appropriate zoning is in place. The petition shall be considered in accordance with R.C. 715.761. Upon agreement by all of the JEDD Parties and the Board, this Contract, including **Exhibit A** hereto, shall be amended to add such property to the territory of the District pursuant to the petition requirements as provided hereinabove. Pursuant to R.C. 715.761(A), property added to the District shall meet all requirements of R.C. 715.73.

If at any time any property within the District is zoned for residential use, then such property shall be removed from the District.

Upon agreement of all of the JEDD Parties and the Board, this Contract, including **Exhibit A** hereto, may also be amended from time to time to remove property from the territory of the District.

Section 6. Term. The initial term of this Contract shall commence on the date hereof and shall terminate on December 31, 2055, unless otherwise terminated prior to that date as provided herein. The provision herein for the initial term of this Contract recognizes that the accrual of benefits to the parties from this Contract may take decades and that the construction of utility facilities and other possible capital improvements provided for herein is of permanent usefulness and duration.

Pursuant to R.C. 715.74(D), this Contract may be terminated at any time by mutual consent of all of the JEDD Parties as authorized by their respective legislative authorities as provided herein. Unless otherwise agreed, in order for such termination to be effective, the

legislative actions of the JEDD Parties that terminate this Contract must occur and be effective within a period of 90 days of each other.

Notwithstanding Section 12 hereof, this Contract may also be terminated by any JEDD Party if it is determined at any time, for any reason, that joint economic development district contracts cannot be entered into, cannot be implemented, or are held invalid by a court of competent jurisdiction or that the income tax provided for in Section 10 hereof is not legal or valid or that the District, for any reason, may not levy, collect or distribute that income tax in accordance with this Contract. The determination to so terminate this Contract shall be evidenced by a written notice of such termination from the legislative authority of any JEDD Party. The termination shall occur on the date set forth in that notice.

Upon termination of this Contract, any property, assets and obligations of the District shall be divided equally between the JEDD Parties, except that any items of infrastructure constructed by or for any JEDD Party shall be retained by that JEDD Party. Any records or documents of the District shall be placed with Pickaway County for safekeeping, which records and documents shall be maintained by Pickaway County as are public records of Pickaway County.

Pursuant to Section 715.74(D) of the Revised Code, this Contract shall continue in existence throughout its term and shall be binding on the JEDD Parties and on any entities succeeding such JEDD Parties, whether by annexation, merger, consolidation or otherwise. Contemporaneous with the signing of this Contract, the JEDD Parties have entered into an Annexation Moratorium Agreement prohibiting annexation of property located within the Madison Township portion of the Northern Industrial Area, depicted on **Exhibit B**, by Columbus or Ashville. The intent of the Annexation Moratorium Agreement,

in combination with this Contract and any other JEDD Contracts, is to establish the legal and policy framework for the creation of an area (the Northern Industrial Area) reserved exclusively for joint development through joint economic development districts. In the event that any portion of the territory of the District shall be included within a municipal corporation by annexation, merger, consolidation or otherwise, the JEDD Parties may, but are not required to, amend this Contract to add that municipal corporation as a party to this Contract. The portion of the territory of the District that is included within a municipal corporation by annexation, merger or otherwise after the date of this Contract shall continue to be a part of the District and subject to the terms of this Contract and to the income tax provided for in Section 10 hereof. In the event that any portion of the territory of Madison that is within the territorial boundaries of the District becomes the subject of an annexation or merger into a noncontracting municipal corporation or an incorporation as a municipal corporation, the JEDD Parties shall use their best efforts, including but not limited to legal action, to oppose and prevent such annexation, merger or incorporation until and unless (1) the District has been created and the income tax provided for in this Contract has been in effect for one year and (2) the municipal corporation into which such territory would be annexed or merged or that is to be incorporated has either become a party to this Contract and has assumed all the obligations and responsibilities required under this Contract in connection with such territory or has agreed otherwise to recognize and comply with this Contract in a form acceptable to the JEDD Parties.

This Contract shall become null and void, without further action of any JEDD Party, in the event that the voters of Madison fail to approve this Contract, pursuant to R.C. 715.77.

Section 7. Governmental Service; Contribution to the District. It is the intention of the JEDD Parties to provide certain governmental services to the District. The JEDD Parties will

cooperate to secure state and federal funding to contribute to or reimburse the parties for capital improvements.

As explained in more detail in Section 10 of this Contract, the District will establish a capital improvement plan and a plan to provide financing for needed infrastructure. It is anticipated that a variety of sources will assist, including developer assistance or reimbursement payments, and/or governmental grants or payments, proceeds or revenues from tax increment financing and income taxes generated from the District. (See Section 10 herein). It is a principle of this Contract that the provision of necessary infrastructure be guaranteed to the extent possible and that all JEDD Parties will have an opportunity to be reimbursed for costs incurred on their behalf.

In accordance with Section 715.74 of the Revised Code, the JEDD Parties each agree to contribute to the development and operation of the District as follows:

A. Sanitary Sewer Services. Sanitary Sewer Service will be provided pursuant to the Annexation Moratorium Agreement. Costs for sanitary sewer services will be recovered for provision of such sanitary sewer services in a manner consistent with and pursuant to the Annexation Moratorium Agreement from sources as determined by the Board in a manner consistent with and pursuant to the Annexation Moratorium Agreement.

B. Water Services. Water service will be provided pursuant to an agreement with Earnhart Hill Water and Sewer Service District (the "District"), in a manner consistent with and pursuant to the Annexation Moratorium Agreement.

C. Road Construction, Maintenance. As mentioned above, the JEDD Parties will develop a capital improvement plan to provide necessary road improvements and to determine

which JEDD Party shall make such improvements or whether private sector developers shall be responsible for certain improvements and the costs thereof.

D. Other Services. Madison shall provide fire protection/emergency medical services, as well as roadway snow removal/salting and pavement and road right-of-way maintenance. Police services will continue to be provided by the Pickaway County Sheriff's Office. With regard to the governmental services of traffic control device maintenance and energy for street lighting, the District shall pay such costs as an expense of operation of the District, pursuant to Section 10 of the Contract.

Section 8. Board of Directors. Pursuant hereto, a board of directors (the "Board") is established to govern the District. The Board shall consist of three members appointed as set forth in R.C. 715.78(A)(2). More specifically, the Board shall be composed of one member appointed by and representing Columbus, one member appointed by and representing Madison, and one member selected by the other two members described above. In the event that there become established within the District businesses and persons working within the District, then the Board shall consist of five members, appointed as set forth in R.C. 715.78(A)(1). More specifically, the Board shall be composed of one member representing Columbus, one member representing Madison, one member representing the owners of businesses located within the District, one member representing the persons working within the District, and one member selected by the other four members described above.

The members of the Board shall serve without compensation as such members. Necessary and authorized expenses incurred by members on behalf of the District shall be reimbursed from District funds in accordance with procedures established by the Board.

The Board shall elect the following officers (who shall constitute the "Officers" of the Board) from among its members: a Vice Chair, a Secretary and a Treasurer, provided that the Secretary and the Treasurer may be the same person. The Chairperson shall be the Board member selected by the other Board members as set forth in R.C. 715.78. The Officers shall be elected at the first meeting of the Board and thereafter every other year for two-year terms and shall serve until their respective successors take office. The Board shall establish a procedure for conducting those elections. The Officers shall perform such duties as provided herein and such additional duties as may be provided from time to time by the Board.

Section 9. Powers, Duties, Functions. The Board shall adopt by-laws, which shall provide for the provisions herein and such other provisions as the Board determines necessary to operate the District in accordance with this Contract. The Board shall meet at least once each calendar year on a date determined by the Board. The Board shall adopt procedures for holding and conducting regular and special meetings. Meetings may be held at the offices of Columbus Regional Airport Authority at Rickenbacker or at other location as determined by the Board. The principal office and mailing address of the District and the Board shall be determined by the Board. If the Board consists of three members constituted as set forth in R.C. 715.78(A)(2), a minimum of two members shall constitute a quorum for Board meeting purposes. If the Board consists of five members as set forth in R.C. 715.78(A)(1), a minimum of three members shall constitute a quorum for Board meeting purposes. The Board shall act through resolutions adopted by the Board. A resolution must receive the affirmative vote of at least a majority of members present and constituting a quorum to be adopted. A resolution adopted by the Board shall be immediately effective unless otherwise provided in that resolution.

The Board may adopt by-laws for the regulation of its affairs and the conduct of its business consistent with this Contract.

The Chair shall preside over and conduct the meetings of the Board in accordance with its by-laws or other procedures adopted by the Board. The Chair may call special meetings of the Board by giving 24-hour written notice of such meeting to each member delivered to his or her residence or place of business. Any majority of members of the Board may also call a special meeting by providing the same notice.

The Vice Chair shall act as Chair in the temporary absence of the Chair.

The Secretary shall be responsible for the records of the Board including, but not limited to, correspondence and minutes of the meetings of the Board.

The Treasurer shall be the fiscal officer of the Board and shall be responsible for all fiscal matters of the Board including, but not limited to, the preparation of the budget and the appropriations resolution, paying or providing for the payment of expenses of operation of the Board, receiving, safekeeping and investing, or providing for the receipt, safekeeping and investment of, funds of the Board and maintaining, or providing for the maintenance of, accurate accounts of all receipts and expenditures. The Board may provide in the Tax Agreement (as defined in Section 10 hereof) that the Department of Finance of Columbus shall assist the Treasurer with the duties of that office.

The Board shall designate by resolution, or in its by-laws, those Officers who may sign documents on behalf of the board.

The Board shall adopt an annual budget for the District. The fiscal year of the district shall be January 1 through December 31. The budget shall estimate the revenues of the District and expenses of the operation of the district. The Board shall establish an appropriations

procedure to provide for payment of the operating expenses of the District and the distribution of income tax revenues in accordance with Section 10 hereof.

The Board, on behalf of the District, shall maintain a system of accounting established and administered in accordance with generally accepted accounting principles applicable to government entities and consistently applied, in a form acceptable to the Columbus City Auditor. The Board shall furnish to the Columbus City Auditor and to representatives of the other JEDD Parties, as soon as available and in any event within 75 days after the end of each fiscal year the following reports:

(A) Audited financial statements consisting of a Statement of Net Assets, Statement of Revenues, Expenses and Changes in Net assets and Statement of Cash Flows, together with all Notes thereto, fairly presenting the financial condition and results of operations of the District for the periods covered, accompanied by an opinion thereon of certified public accountants.

(B) Copies of any audit response letters or accountants' management letters received by the Board on behalf of the District.

All such financial statements and audit reports shall be prepared in accordance with governmental accounting and financial reporting standards as prescribed by the Governmental Accounting Standards Board. It is expressly understood that the Board shall provide such reports to the Columbus City Auditor and to representatives of the other JEDD Parties in a timely manner in order for the JEDD Parties to be able to comply with the reporting requirements of the Government Finance Officers Association of the United States and Canada and in order for the Columbus to continue to receive, annually, the Certificate of Achievement for Excellence in Financial Reporting, and the other JEDD Parties' requirements. In addition, the Board shall

provide the City of Columbus Finance Department and City Auditor and to representatives of the other JEDD Parties such other information as they reasonably request.

The Board is authorized to take such necessary and appropriate actions, or establish such programs, to facilitate economic development in the District in accordance with the purpose of this Contract.

The Board, on behalf of the District, may:

(1) Purchase, receive, hold, lease or otherwise acquire, and sell, convey, transfer, lease, sublease or otherwise dispose of, real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including but not limited to, any real or personal property acquired by the District from time to time in the satisfaction of debts or enforcement of obligations, or otherwise;

(2) acquire, purchase, construct, reconstruct, enlarge, furnish, equip, maintain, repair, sell, exchange, lease or rent to others, lease or rent from others, or operate facilities for the District;

(3) make available the use or services of any District facility to one or more persons, one or more governmental agencies, or any combination thereof;

(4) apply to proper authorities of the United State pursuant to appropriate law for the right to establish, operate, and maintain foreign trade zones within the area or jurisdiction of the district and to establish, operate and maintain such foreign trade zones;

(5) establish and maintain such funds or accounts as it deems necessary, either of its own or in conjunction with or through the JEDD Parties;

(6) promote, advertise and publicize the District, provide information relating to the District and promote the interests and economic development of the District, the JEDD Parties to this Contract as well as Pickaway County and the State of Ohio;

(7) make and enter into all contracts and agreements and authorize one or more Officers to sign all instruments necessary or incidental to the performance of its duties and the execution of its powers under this Contract;

(8) employ managers and other employees and retain or contract with consulting engineers, financial consultants, accounting experts, architects, attorneys and such other consultants and independent contractors as are necessary in its judgment to carry out the purposes of this Contract, and fix the compensation thereof, which shall be payable from any available funds of the District;

(9) receive and accept from any federal agency, state agency or other person grants for or in aid of the construction, maintenance or operation of any District facility, for research and development with respect to District facilities or for programs or other projects of the District, and receive and accept aid or contributions from any source or money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants, aid or contributions are made; and

(10) purchase fire and extended coverage and liability insurance for any District facility and for the office of the District, insurance protecting the district and its Board, Officers and employees against liability for damage to property or injury to or death of persons arising from its operations, and any other insurance that the Board may determine to be reasonably necessary.

All costs of employment, including but not limited to, compensation, salaries, benefits, taxes and insurance, shall be paid from revenues of the District. The JEDD Parties to this Contract shall not be the employer and shall have no liability for any costs of employment or any other costs or expenses arising from such employment. The Board may provide by resolution that the purchases of real or personal property, as well as other goods or services shall comply with applicable rules or regulations of the JEDD Parties.

This Contract grants to the Board the power and authority to adopt a resolution to levy an income tax within the District in accordance with Section 715.74(C) of the Revised Code and Section 10 hereof.

The Board is authorized to do all acts and things necessary or convenient to carry out the powers granted in this Contract.

Section 10. Income Tax. The Board at its first meeting shall adopt a resolution to levy an income tax at a rate of 2.5% in the District in accordance with Section 715.74(C) of the Revised Code. The income tax shall go into effect as soon as is legally permissible. The rate of the income tax shall change from time to time so that it is equal to the highest rate being levied by a municipal corporation that is a JEDD Party. The revenues of that income tax shall be used for the purposes of the District and the JEDD Parties pursuant to this Contract.

The Board shall adopt, by resolution, all of the provisions (other than the rate) of the Columbus's income tax legislation, as it may be amended from time-to-time, as applicable to the District income tax. The income tax levied by the Board pursuant to this Contract and Section 715.74(C) of the Revised Code shall apply in the entire District throughout the term of this Contract, notwithstanding that all or a portion of the District becomes subject to annexation, merger or incorporation.

In accordance with Section 715.74(C)(2) of the Revised Code, the Board shall enter into an agreement with Columbus to administer, collect and enforce the income tax on behalf of the district (the "Tax Agreement"). The Tax Agreement shall provide that the Director of Finance of Columbus shall be the Administrator of the income tax of the District (the "Administrator"), who shall be responsible for the receipt, safekeeping and investment of the income tax revenues collected within the District.

On the first business day of each quarter, the Administrator shall provide the District with an amount sufficient to pay the outstanding or expected expenses of the operation of the District for that quarter (including, but not limited to, the expense of administering the income tax pursuant to the Tax Agreement) in accordance with the budget and the appropriations resolution (as amended from time to time) of the Board, which amount shall not exceed 12.5% of the estimated income tax revenues for that calendar year. Thereafter, the Administration shall repay the JEDD Parties the costs, which they incurred to establish the District pursuant to Section 7 hereof, until each JEDD Party is paid in full.

Net tax revenues in excess of the above shall be divided into two equal funds: the Partner Proceeds Fund (the "Partners Proceeds Fund") and the Partner Investment Reimbursement Fund (the "Partners Investment Reimbursement Fund").

Revenues in the Partner Proceeds Fund shall be paid and remitted annually without need of further action of the treasurer or the Board, as follows:

- (1) To Columbus, seventy percent (70%)
- (2) To Madison, twenty percent (20%)
- (3) To Ashville, ten percent (10 %)

The monies so paid or remitted to the JEDD Parties shall be used by each JEDD Party for the purposes of the District and for the purposes of the JEDD Parties pursuant to this Contract, in accordance with R.C. 715.74(C)(1).

Revenues in the Partner Investment Reimbursement Fund shall be paid and remitted annually as follows:

1. The Partner Investment Reimbursement Fund shall continue to exist until the partners have been reimbursed for capital investment projects made on behalf of and authorized by the District or any other related joint economic development districts. Capital investment projects to be paid from Partner Investment Reimbursement Fund specifically include, but are not limited to, those projects undertaken pursuant to the Annexation Moratorium Agreement. If at any point this fund is no longer needed, all revenue generated through the income tax shall be deposited in the Partner Proceeds Fund.
2. The JEDD Parties shall develop a capital improvement plan for the District that shall detail the initial infrastructure required to support the District and identify the JEDD Party that has agreed to provide such infrastructure. The capital improvement plan shall also identify infrastructure improvements made or in the process of being made prior to the establishment of the District and for which a JEDD Party is to be reimbursed.
3. The JEDD Board, in consultation with the JEDD Parties, shall update the District's capital improvement plan on a frequency to be determined by the Board, but no less frequently than every five (5) years.
4. Each JEDD Party shall be reimbursed for all project costs expended in accord with the approved capital improvement plan.

- (a) However, while it is understood that each JEDD Party will likely need to finance its projects, no financing costs, as defined in Section 133.01(K) of the Ohio Revised Code, are reimbursable. Each JEDD Party shall bear its own financing expense.
 - (b) Columbus shall not seek reimbursement for project costs which are recovered through front foot fees paid to its water or wastewater utility. In addition, no JEDD Party will seek reimbursement for project costs that will be recovered or reimbursed through other sources such as developer assistance or reimbursement payments, or revenues from tax increment financing.
 - (c) Any federal or state grant funds obtained on behalf of a JEDD Party and/or the District shall be used to reduce the total cost for infrastructure investment required by the partners and are not eligible for reimbursement.
5. On an annual basis, each JEDD Party shall submit to the Board documentation for authorized project costs incurred by the partner during the prior year.
6. To the extent monies are available within the Partner Investment Reimbursement Fund, the Board shall remit annually payment to the JEDD Parties for documented expenses. The JEDD Parties assume that the revenues to this fund will not be adequate to meet the reimbursement expenses on an annual basis. All expenses not reimbursed the first year submitted shall be carried forward to future years until paid and shall be paid to the JEDD Parties in proportion to the outstanding amounts owed to those Parties.

The Tax Agreement shall provide that the Administrator shall make an annual report to the Board regarding the receipt and distribution of the income tax of the District.

The JEDD Parties acknowledge that property taxes levied on property within the District shall be distributed in accordance with Ohio law with no portion being distributed to other parties.

Section 11. Annexation; Zoning. The JEDD Parties agree that, so long as this Contract is in effect, the JEDD Parties will not (i) accept any annexation petitions for any property located in the District, or (ii) assist property owners to annex their property located in the District to a municipality. The JEDD Parties will not be divested of their rights or obligations under this Contract because of annexation, merger or succession of interests.

From and after the date of this Contract, Madison shall not approve and shall use its best efforts to oppose the establishment of enterprise zones under Section 5709.61 through 5709.69 of the Revised Code, as amended from time to time, and the granting of any tax exemption pursuant to Chapter 1728 and Section 3735.67 of the Revised Code, as amended from time to time, and the use of tax increment financing under Sections 5709.73 to 5709.81 of the Revised Code, as amended from time to time, within the District without the consent of all of the JEDD Parties.

As stated in Section 4 of this Contract, on the date of execution of this Contract, none of the area comprising the District is zoned for residential use. Upon the formation of the District, Madison agrees to implement and maintain only business, commercial and industrial zoning within the District. For purposes hereof and to the extent permitted by law, "zoning" shall include "conditional zoning", the granting of any variance or other form of permit to use, and otherwise prescribing the uses of property within the District.

Section 12. Defaults and Remedies. A failure to comply with the terms of this Contract shall constitute a default hereunder. The JEDD Party in default shall have 60 days after receiving written notice from any other JEDD Party of the event of default to cure that default.

If the default is not cured within that time period, any nondefaulting JEDD Party may sue the defaulting JEDD Party for specific performance under this Contract or for damages or both. Other than as provided in Section 6 hereof, this Contract may not be terminated because of a default unless all JEDD Parties agree to such cancellation or termination.

Section 13. Amendments. In addition to the amendments provided for in Section 5 hereof, this Contract may be amended by the JEDD Parties only in a writing approved by the legislative authorities of all of the JEDD Parties by appropriate legislation authorizing that amendment. In order for such amendment to be effective, the legislative actions of the JEDD Parties that amend this Contract must occur and be effective within a period of 90 days of each other.

Section 14. Binding Effect. This Contract shall be binding upon the JEDD Parties, and the District and their respective permitted successors, subject, however, to the specific provisions hereof. This Contract shall not inure to the benefit of anyone other than as provided in the immediately preceding sentence.

Section 15. Support of Contract. The JEDD Parties agree to cooperate with each other and to use their best efforts to do all things necessary for the creation and continued operation of the District, including, but not limited to, promoting the approval by the electors of Madison of the resolution authorizing this Contract. In the event that this Contract, or any of its terms, conditions or provisions, is challenged by any third party or parties in a court of law, the JEDD Parties agree to cooperate with one another and to use their best efforts in defending this Contract with the object of upholding this Contract. Each JEDD Party shall bear its own costs in any such proceeding challenging this Contract or any term or provision thereof.

Section 16. Signing Other Documents. The JEDD Parties agree to cooperate with one another and to use their best efforts in the implementation of this Contract and to sign or cause to be signed, in a timely fashion, all other necessary instruments and documents, and to take such other actions, in order to effectuate the purposes of this Contract.

Section 17. Severability. Except as provided in Section 6 hereof, in the event that any section, paragraph or provision of this Contract, or any covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, or any application thereof, is held to be illegal or invalid for any reason,

(1) that illegality or invalidity shall not affect the remainder hereof or thereof, any other section or provision hereof, or any other covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, all of which shall be construed and enforced as if the illegal or invalid portion were not contained herein or therein,

(2) the illegality or invalidity or any applications hereof or thereof shall not affect any legal and valid application hereof or thereof, and

(3) each section, paragraph, provision, covenant, agreement, obligation or action, or part thereof, shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law.

Section 18. Governing Law. This Contract shall be governed exclusively by and construed in accordance with the laws of the State, and in particular Sections 715.72 and 715.81 of the Revised Code. In the event that Section 715.72 or Section 715.81 of the Revised Code are amended or are supplemented by the enactment of a new section of the Revised Code relating to Joint Economic Developments Districts, the JEDD Parties may agree at the time to follow either the provisions of Sections 715.72 and 715.81 existing on the date of this Contract or the


provisions of Sections 715.72 and 715.81 as amended or supplemented, to the extent permitted by law.

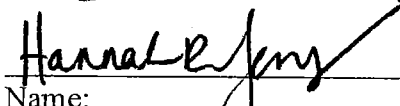
Section 19. Captions and Heading. The captions and headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections hereof.

Section 20. Consideration, Utility Contract. The amendment, renewal or termination of a separate contract for utility services does not constitute any part of the consideration for this Contract. Further, other substantial consideration exists to support this Contract, and this Contract has been entered into between the JEDD Parties without duress or coercion related to the amendment, renewal or termination of a separate contract for utility services.

IN WITNESS WHEREOF, the JEDD Parties have caused this Contract to be duly signed in their respective names by their duly authorized officers as of the date hereinbefore written.

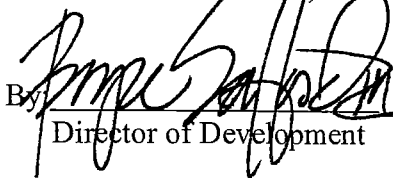
Signed as to the City of Columbus, Ohio
in the presence of:


Name: _____

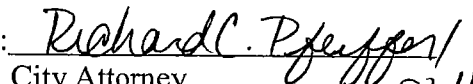
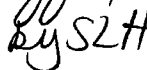

Name: _____

(Witnesses as to the City of Columbus, Ohio)

CITY OF COLUMBUS, OHIO

By: 
Director of Development

Approved as to legal form and
correctness:

By: 
City Attorney
City of Columbus, Ohio 

[Signature Page]

Signed as to the Village of Ashville, Ohio
In the presence of:

VILLAGE OF ASHVILLE, OHIO

Linda A. Brown

Name:

Adrian G. Grewke

Name:

(Witnesses as to the Village of Ashville, Ohio)

By: Charles H. Wise
Mayor

Approved as to legal form and
Correctness:

By: Mark Zappella

Village Solicitor
Village of Ashville, Ohio

[Signature Page]

Signed as to the Township of Madison,
Pickaway County, Ohio in the presence of:

Connie S. Swayer
Name:

Bill Beck
Name:

(Witnesses as to Township of Madison,
Pickaway County, Ohio

TOWNSHIP OF MADISON, PICKAWAY
COUNTY, OHIO

By: Jeff Deas
Trustee

By: Ronnie Welch
Trustee

By: Jill McGraw
Trustee

Approved as to legal form and
correctness:

By: Judy C. Wolford
Legal Counsel to Township of Madison,
Pickaway County, Ohio

EXHIBIT A

MAP OF THE DISTRICT

MADISON TOWNSHIP

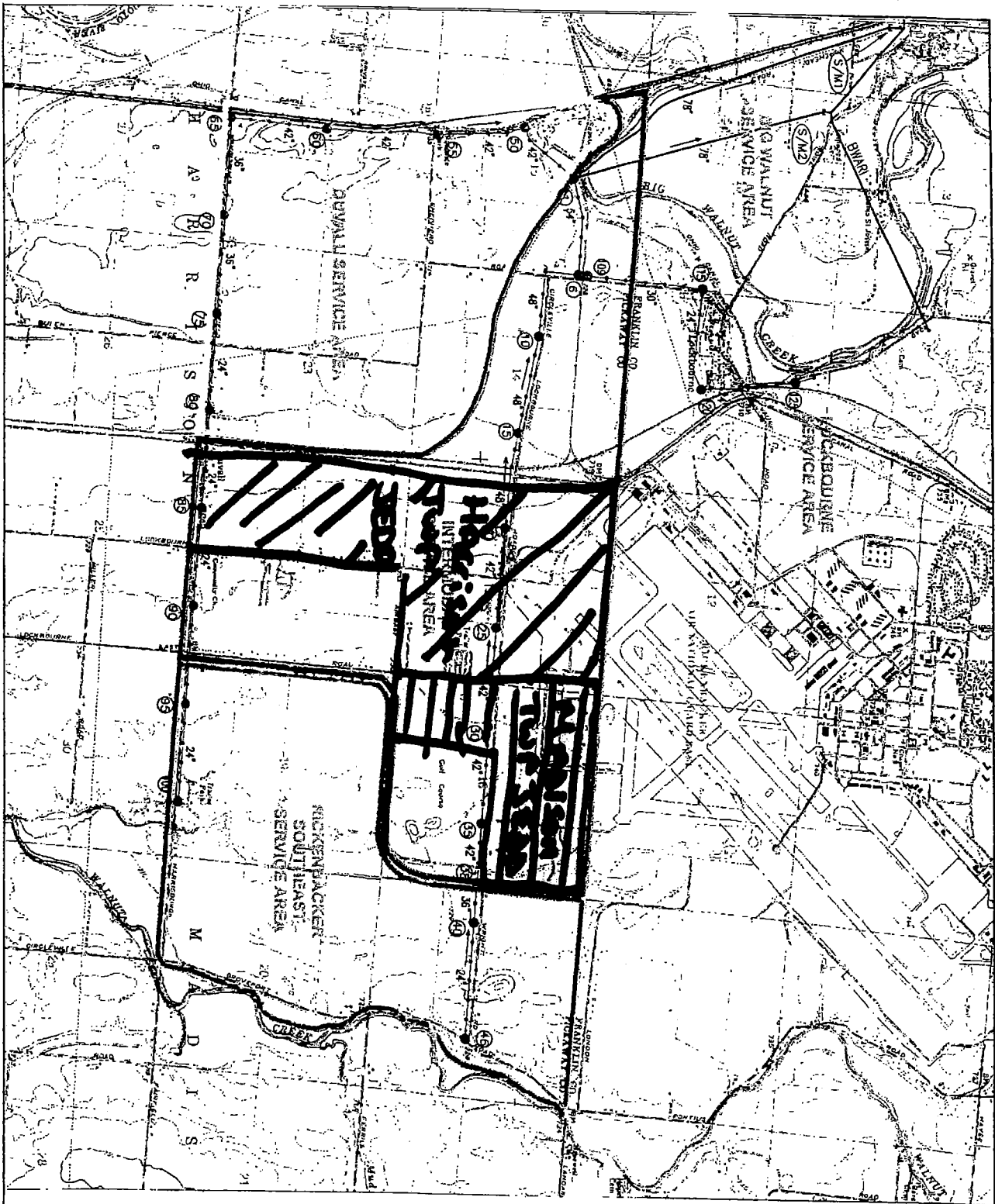
JOINT ECONOMIC DEVELOPMENT DISTRICT 2009



 MADISON TOWNSHIP JEDD AREA

EXHIBIT B

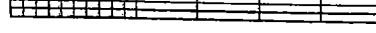
NORTHERN INDUSTRIAL AREA



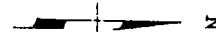
LEGEND

- | | | | |
|------|-----------------------|--|-----------------------|
| S/M2 | SHAFT MANHOLE | | FLOW DIRECTION |
| | TRIBUTARY MANHOLE | | 710' EXISTING CONTOUR |
| | NON-TRIBUTARY MANHOLE | | TRIBUTARY ACREAGE |
| | MANHOLE NUMBER | | 48" PIPE SIZE |

0 2500 5000 7500 FT.



Scale: 1" = 2500'



Water Contract

**CONTRACT BETWEEN
THE CITY OF COLUMBUS, OHIO AND
EARNHART HILL REGIONAL WATER AND SEWER DISTRICT**

This Contract, made and entered into this 25th day of August, 2006 by and between the CITY OF COLUMBUS, a municipal corporation, as authorized by Ordinance No. 0848-2006 passed and approved by Columbus City Council, and the EARNHART HILL REGIONAL WATER AND SEWER DISTRICT, ("District") a political subdivision of the State of Ohio organized under Chapter 6119 of the Ohio Revised Code, as authorized by Resolution No. 2006-03, passed by the Board of Trustees of the District.

WITNESSETH:

Section 1. The purpose of this contract is to provide adequate water supply to the commercial and industrial properties located in the Northern Industrial Area, as delineated on Exhibit A, once those properties are included in a Joint Economic Development area (JEDD) that includes the City of Columbus. It is the parties' intent that as each JEDD is formed, the District shall enter into a contract with the JEDD. Once that contract is entered, this water contract shall be modified to include the territory included within the newly formed JEDD.

The parties are entering this contract in anticipation of the formation of the first JEDD, the Northern Pickaway County Joint Economic Development District (NPC JEDD), depicted on Exhibit B. The parties anticipate that as additional JEDDs are formed or a JEDD is modified, this Contract will be modified to include those new territories, which will be depicted on exhibits that are then incorporated into this Contract (hereinafter "Subsequent Exhibits").

The City of Columbus shall, for the consideration hereinafter stated, furnish to the District and to the commercial and industrial inhabitants of the portion of the District depicted on Exhibit B, and any Subsequent Exhibits, surplus water from the municipal water system of the said City of Columbus upon the District entering into a contract with each Joint Economic Development District ("JEDD") as described herein and for the term of years hereinafter described.

Within the area of the proposed NPC JEDD is an area owned or controlled or operated by the Columbus Regional Airport Authority (the "CRAA"), as depicted on Exhibit B. The parties acknowledge that the CRAA has indicated that it will need water service to the CRAA area on or before November 1, 2006. The parties agree that the District must provide or be in the process of providing water service to the CRAA by November 1, 2006. If the District is unable to meet this requirement, the City of Columbus may provide such service and may seek any remedies under law to enforce this Contract. In the event the District is unable to provide water service to the CRAA area as provided above, the District (a) hereby consents to the City's provision of water service within the CRAA area, and (b) acknowledges that it shall be required to reimburse the City of Columbus for the reasonable costs of providing water service to the CRAA and any costs associated therewith including all legal expenses associated with enforcement of this Contract.

This Contract will not be effective until if and when the District enters into a contract with the NPC JEDD for providing water service to the industrial and commercial properties within the NPC JEDD. This Contract will be effective on and after the date the Earnhart Hill Regional Water and Sewer District-Pickaway County JEDD water contract is executed ("the Effective Date").

The term of this Contract will commence on the Effective Date, and shall remain in full force and effect until midnight of December 31, 2026. Unless written notice is given by either party to the other at least three years prior to December 31, 2026, this Contract shall remain in effect for an additional three-year period. In the same manner, this Contract with any amendments thereof shall remain in effect from three-year term to three-year term thereafter, subject to termination after the expiration of any such term upon written notice given by either party to the other at or before the expiration of the previous three-year term. Written notice of the intent to terminate this Contract must be given to the Director of Public Utilities for the City of Columbus or the General Manager of the District.

Section 2. Such water aforementioned shall be furnished from the water distribution system of the City of Columbus to the District through pipes, valves, hydrants, and meters furnished and installed at the entire cost of the District. Connections shall be made to the Columbus distribution system at locations mutually agreed upon in writing between the parties to this Contract. The District shall have the further right to connect its water lines to any other water mains subsequently installed by the City of Columbus within or adjacent to the area depicted on Exhibit B; as well as on Subsequent Exhibits, provided, that the Director of Public Utilities of the City of Columbus may refuse such right when in his or her opinion such water mains are of insufficient capacity or pressure to serve the proposed water service area.

At any connection point where water is furnished such water shall be measured by a meter or meters of the type and capacity approved by the Administrator of the Division of Water of the City of Columbus (hereinafter "Administrator" or "Division of Water"). Said meters are to be provided by the City of Columbus following payment by the District of all applicable meter charges and system capacity charges. Said meters are to be transported from their point of storage by the District and set by the District in accordance with the standard plans and specifications as required by the Division of Water. Such meters shall be installed in an adequate protective structure at a location approved by the Administrator. The installation of all meters, protective structures, water mains and appurtenant work shall be at the sole cost and expense of the District. Maintenance of the meters shall be at the expense of the City of Columbus. All other required maintenance or replacement of the meter setting or protective structure as determined by the Administrator, shall be at the expense of the District. The City of Columbus shall have free access to these meters, for the purpose of reading the meters, at any time throughout the duration of this Contract.

The City of Columbus reserves to itself the right to change at anytime, the type or capacity of any meter measuring the flow of water from the City of Columbus into the District whenever, in the opinion of the Administrator, such changes are necessary to improve the accuracy of the metering system and that said changes can be made without appreciably affecting

the quality of service to the District. Said meter changes shall be made at the sole expense of the City of Columbus.

The City of Columbus reserves to itself the right to approve any actual connection to its lines. The City of Columbus reserves the right to chlorinate its lines up to the point of the District's meter(s). All District lines connected to the City shall be chlorinated by the District. Such approval shall extend to all phases of the work including but not limited to equipment, material, personnel, location, time and technique. In the event that such work is performed by the City of Columbus, the District shall pay the actual cost of labor and materials plus twenty-five percent.

The City of Columbus reserves to itself the right to add or delete any chemicals to the water which is deemed necessary by the electorate, executive, legislative, or administrative bodies of the City of Columbus, each within their specific authority. Conversely, the City of Columbus is not subject to any requirements of the District, whether through said District's electorate, executive, legislative, or administrative bodies, to add or delete chemicals to the water supply.

The City of Columbus agrees that during the term of this Contract it will use its best efforts to provide such services to the District so as to allow a reasonable and orderly growth and development within the NPC JEDD, as depicted on Exhibit B, as well as the JEDDs depicted on any Subsequent Exhibits. It is expressly understood and agreed by the parties hereto that the intent of this assurance is that in consideration for the District's forbearance from utilizing water from the District sources the City of Columbus will continue to provide a level of water utility services sufficient to meet reasonable and orderly growth and development projections within any area located in the Northern Industrial Area that has become a part of a JEDD.

Section 3. The water main or mains to be constructed and maintained by the District between its meter and the distribution system of the City of Columbus shall be for transmission purposes only and shall be exclusive property of the District. No taps shall be made to said transmission main.

Section 4. The water supply aforementioned shall be restricted for usage within the limits depicted on Exhibit B, attached hereto and incorporated within this Contract, as well as any Subsequent Exhibits. The District shall not allow any taps to be made for useage beyond the limits of Exhibit B or any Subsequent Exhibits. Notwithstanding the foregoing or any other language in this Contract to the contrary, the District may provide water to any existing residential structure that satisfies all of the following:

1. the residential structure is located within the limits depicted on Exhibit B, or any Subsequent Exhibits;
2. the residential structure existed on the Effective Date of this Contract;
3. a District line is available and accessible to the residential structure; and

4. the Pickaway County Board of Health determines the residential structure's source of water is either non-potable without treatment or of insufficient volume.

Also, notwithstanding the foregoing or any other language in this Contract to the contrary, once the District has established a tap at a property as authorized in this Contract, the District may continue to provide water service to that property even if it is subsequently removed from the NPC JEDD or any other JEDD located in the Northern Industrial Area.

Section 5. The water supply aforesaid shall be for the commercial and industrial usage of the District and its inhabitants. The Administrator reserves the right of approval for any water service connection within the service area of the District wherever the peak instantaneous demand will exceed two hundred gallons per minute (200 gpm). Water usage at this rate or larger will be permitted, if, in the opinion of the Director of Public Utilities of the City of Columbus, such usage will not impair the planned development of the Columbus Service Area. During the term of this Contract the District agrees that the only water to be used or permitted in any portion of their distribution system served by the City of Columbus shall be water supplied from the water distribution system of the City of Columbus. Further, any portion of the water distribution shall be effectively isolated from other water supply sources.

Section 6. The City of Columbus shall have the right to connect its water lines to any water lines owned or installed by the District for the purpose of supplying water to other consumers; provided, however, that the District may refuse such right when such water line is of insufficient capacity to provide water service to the intended area. Whenever practical, as determined by the Administrator water at any such connection shall be metered in like fashion to that entering the District water system and the City of Columbus shall be solely responsible for the cost of installing any necessary meters. Where master metering is not practical the volumes of water taken from the distribution system of the District as recorded on individual meters, read by the City of Columbus, shall be credited to the District's water consumption on the billing following the most recent reading of said individual meters. Prior to making any such individual connection to a water line owned or installed by the District for other consumers, written permission must first be obtained from the District. A tapping permit must then be obtained from the District and all applicable fees shall be paid to the District before a service agreement is requested with the City of Columbus.

Conversely, the District may grant, in writing, permission to inhabitants of the District to request tapping permits from the Division of Water, for individual connections to water lines owned or installed by the City of Columbus. Upon approval of said request and payment of all applicable fees to the Division of Water, said inhabitants shall obtain a water service agreement with the District. The volumes of water taken from the distribution system of the City of Columbus as recorded on individual meters read by the District shall be added to the District's water consumption on the billing following the most recent reading of said individual meters.

The City of Columbus and the District reserve to themselves the right to make any actual connections to their respective water lines, and in such event, the party obtaining water service from the connection shall pay the actual cost of labor and materials plus twenty-five percent.

Section 7. All water main extensions or additions between the City of Columbus distribution system and the meters referred to in Section 2 shall be installed according to the current specifications for water mains, valves and appurtenances in use at the time by the Division of Water of the City of Columbus, Ohio. Plans and specifications for such lines shall first be submitted to the Director of Public Utilities of the City of Columbus, Ohio, for his/her written approval that such plans and specifications are in accordance with current specifications in use in the City of Columbus. Such approval or rejection fully supported by evidence showing that the plans and specifications vary from the current City of Columbus Specifications shall be made by the Director of Public Utilities within thirty (30) days after detailed plans and specifications have been submitted by the District; otherwise the District may proceed with construction without prejudice in full conformity with such plans and specifications.

No cross-connections shall be made or permitted with any other water supply than that of the City of Columbus. The District shall have an OEPA approved backflow program.

Section 1105.11 of the Columbus City Codes, 1959, as amended, or as same may be amended or reenacted in the future shall not apply to lines built by the District, or by authorization of the District, so long as there are no funds of the City of Columbus invested and there is no cost to the City of Columbus.

Section 8. The meters referred to in Section 2 shall be read by meter readers of the City of Columbus. Twenty-four hour notice of the meter readings shall be given to the District and a representative of the District shall have the right to accompany the meter readers of the City of Columbus when said readings are taken. The amount of water consumed shall be computed and a bill presented to the District not to exceed four times annually. The District shall, within thirty-five (35) days after the bill is mailed, make payment thereof in full to the Treasurer of the City of Columbus. Failure to make full payment within the thirty-five (35) days following the mailing of said bill will result in the addition of a penalty to the unpaid bill. The amount of the penalty shall be ten percent (10%) of the unpaid bill and shall be due at the time of payment of the overdue bill.

Further, failure to make full payment by the District to the City of Columbus within thirty (30) days of the due date shall be sufficient reason for the City of Columbus to discontinue the water supply service to the District without resorting to any legal proceedings in law or equity, and the District shall save the City of Columbus harmless from each, every and all claims or suits for damages to the persons and/or properties, to the inhabitants of the District and/or to the District.

The water rates to be charged to the District for water furnished pursuant to this Contract shall be the prevailing rate specified for Outside City Master Meter Contracts in Section 1105.055 of the Columbus City Code.

In the event of failure of any meter the amount of water consumed shall be estimated by the Administrator. Such estimates shall be based on the average daily consumption used during any similar period.

Section 9. During the terms of this Contract, the District will assist the City of Columbus with the right to enter into the District and its streets, highways, and alleys or other public easements for the purpose of this Contract and with prior notice for the further purpose of laying any large feeder mains which may be deemed necessary by the Director of Public Utilities of the City of Columbus on the basis of sound engineering principles, to provide water service to areas not included within the District and/or the District's service area.

The City of Columbus pledges to make such large feeder main installations at its own expense and to restore all streets, highways, or alleys to the extent possible to the same condition in which they were found prior to such installation. The City of Columbus will and shall own and have the right to reinstall, reconstruct, preserve, maintain, and repair any facility so constructed as aforesaid as such may become necessary and such right shall continue after the expiration of this Contract. During the period of this Contract, the District may connect any main or mains of its distribution system to any such feed main aforesaid with the approval of the Director of Public Utilities of the City of Columbus. Such connections shall be made by the City of Columbus and paid for by the District under the same terms as provided in Section 2 of this Contract.

Plans and/or specifications for any water line extensions proposed by the City of Columbus through the District shall be submitted to the District for review and approval from an engineering viewpoint. Such approval or rejection, fully supported by sound engineering reasons, shall be made within thirty days (30) of submission; otherwise, the City of Columbus may proceed with construction without prejudice in full conformity with said plans and specifications.

The District shall, upon request, submit to the City of Columbus location maps showing its current total water distribution system with all changes or additions brought to date. Also, the District will, upon request, submit to the Division of Water a copy of a set of plans as built for record purposes for all water facilities installed within ninety (90) days of project completion. The City of Columbus agrees to provide to the District, upon request, any public information about the Columbus water system which may be necessary in order to determine the adequacy of water service being provided to the District.

Section 10. Failure on the part of either party to this Contract to faithfully discharge its obligations and responsibilities hereunder, either in whole or in part, shall vest in the other party to this Contract the right to terminate same, effective ninety (90) days after written notice of such failure and the intent to terminate is delivered to the offending party, provided that the offending party shall have the right to cure or correct such failure to faithfully discharge its obligations and responsibilities and upon demonstration thereof, such notice of termination shall not be effective and this Contract shall remain in full force and effect without prejudice to the City of Columbus' right to collect amounts due and owing to the City of Columbus arising under the terms of this Contract prior to notice of termination.

If the District fails to correct any alleged noncompliance of its contractual agreements herein within 90 days of receiving notice of noncompliance from the City of Columbus, the City of Columbus may make its own corrections pursuant to its own plans and specifications and bill the costs thereof to District.

Section 11. The parties anticipate that the City may provide sewer service to District customers within the area depicted in Exhibit B. The parties agree that if the City does provide sewer service to such customers, the District shall make available the water meter readings for those customers on at least a quarterly basis, for the purpose of allowing the City to bill the customers for sewerage services. Said meter readings will be provided to the City in a format acceptable to both parties, and shall include at least the customer's name, billing address, meter serial number and usage measurement in thousand gallons.

Section 12. It is further agreed that the City of Columbus shall have the right to temporarily shut off the water supply of the District or any part thereof whenever alterations, additions, maintenance operations, or breaks in the lines due to negligence or accidents make it necessary.

The City of Columbus shall give the District reasonable notice of the anticipated shut off and the probable duration of such shut off. The City shall endeavor to provide at least 48 hours notice of a shut-off. In cases of serious breaks or accidents or emergencies that, in the opinion of the Administrator or his/her authorized agent, require immediate discontinuance of water service, water service will be discontinued without prior notice.

In the latter case the City of Columbus as soon as practicable shall give the District notice of the reason for interruption of water service and an estimate of the possible duration of such interruption. Under no circumstances will the City of Columbus be held liable or responsible for any damage that may result to the District or the inhabitants thereof due to any necessary or emergency discontinuance of water service.

If, as result of a disruption of service from the City of Columbus, the District is required to flush its lines to restore chlorination, the District may apply to the City of Columbus for a credit for the amount of water used in the flushing. The decision to grant a credit is within the sole discretion of the City of Columbus.

Section 13. The District further agrees that the rate or rates to be charged water consumers under this Contract shall never be less than those charged consumers within the corporate limits of the City of Columbus for similar consumption.

The City of Columbus agrees that the rate charged to the District for water services under this Contract shall not exceed the rate charged to any other municipality or other entity by the City of Columbus as an OUTSIDE CITY MASTER METERED SUBURBAN CONTRACT at the wholesale rate.

Section 14 The parties anticipate that additional properties may be added to the NPC JEDD or additional JEDDs may be formed within the Northern Industrial Area, depicted on Exhibit A. It is the parties' intention that the commercial and industrial properties added to the NPC JEDD or located within these additional JEDDs shall be served by the District pursuant to subsequent modifications to this Contract. Such modifications shall occur once the District enters into a service agreement with the additional JEDD or a modified service agreement with the NPC JEDD, as applicable. Such modifications are authorized by this Contract and its authorizing ordinance, and the Director may enter into such modifications without further action of the Columbus City Council. Each contract modification shall include a Subsequent Exhibit that identifies the additional properties to be served.

THE CITY OF COLUMBUS, OHIO

By:
Director of Public Utilities

**THE EARNHART HILL REGIONAL WATER
AND SEWER DISTRICT**

By:
President

APPROVED AS TO FORM:

City Attorney
City of Columbus, Ohio

J. Gregory Smith
Ulmer & Berne LLP
88 East Broad Street, Suite 1600
Columbus, Ohio 43215
Attorney for Earnhart Hill Regional Water
and Sewer District

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