

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT entered into as of the ____ day of _____, 2010 between the Northwestern Water and Sewer District, hereinafter referred to as the “District”, a regional water and sewer district organized pursuant to Chapter 6119 of the Ohio Revised Code, and the City of Rossford, Ohio, hereinafter referred to as the “City”, a chartered municipal corporation organized pursuant to Chapter 701 of the Ohio Revised Code. This agreement shall be effective on January 1, 2011 at which time the District will assume the operation and maintenance of the water management facilities and waste water facilities currently owned and maintained by the City.

WHEREAS, the City has determined that it is in the best interests of the residents of the City to have the City become part of the District and that joining the District will be conducive to the public health, safety, convenience or welfare, and that it is practical and feasible for the corporate area of the City to be included within the territory of the District and by the authority of its Ordinance No. 2010-41 passed September 27, 2010, has made application to join the District pursuant to R.C. 6119.05, and

WHEREAS, the City has developed water management facilities and waste water facilities. Currently, the City has no contract with any water provider to the City’s water management facilities, but the City does receive treated water from the City of Toledo. It is the intention of the parties that the District will provide or arrange for the provision of water to serve the City’s water management facilities. The City acknowledges that the City of Toledo currently requires revenue sharing in City of Toledo water agreements.

Currently, the City has a contract with the City of Toledo for the City's waste water facilities, under which the City delivers its waste water to the City of Toledo for treatment. It is the intention of the parties that the District will provide or arrange for the provision of waste water treatment services to serve the City's waste water facilities.

WHEREAS, it is the intention of the City and the District that these agreements and contracts be assigned by the City and assumed by the District, and

WHEREAS, the City owns parcels of real property, holds easements, and possesses rights of way through and upon which it has constructed its water management facilities and waste water facilities, and

WHEREAS, it is the intention of the City and the District that all of the water management facilities and waste water facilities and these parcels of real property be conveyed by the City to the District; the easements assigned by the City to the District; and the rights of way be used by the District for the maintenance of the water management facilities and waste water facilities and for additions and improvements to the water management facilities and waste water facilities as reasonably determined necessary by the District, and

WHEREAS, the City owns records that the City uses or has intended to use in the operation and maintenance of the water management facilities and waste water facilities, and

WHEREAS, it is the intention of the City and the District that the records be delivered and transferred to the District, and

WHEREAS, the City and the District acknowledge that the rates for water service and waste water service for District customers are higher than the rates for similar services currently paid by customers within the corporate area of the City which pursuant to this Agreement will now be served by the District and it is the intention of the parties that the District's water and sewer rates will be phased in over a period of years for the City customers, and

WHEREAS, the City has incurred debt in the construction and maintenance of the water management facilities and waste water facilities, and

WHEREAS, it is the intention of the parties that the District will assume the balance due on the debt charges of the City that are directly related to the construction of its water management facilities and waste water facilities and

WHEREAS, the City currently has an account for its water management services known as the Water Fund which as of _____, 2010 contained the amount of _____, less any outstanding payments, and

WHEREAS, the City currently has an account for its waste water facilities known as the Sewer Fund, which as of _____, 2010 contained the amount of \$ _____, less any outstanding payments.

NOW, THEREFORE, in consideration of the promises made by the parties and in furtherance of the Ordinance No. 2010-41 of the City and Resolution _____ of the District, the parties agree as follows:

PROVISION OF SERVICES

The District agrees to (i) supply, or arrange for the supply of, water, and (ii) provide, or arrange for the provision of, the collection, treatment and disposal of waste water, to or for all customers within the corporate area of the City as it may exist from time to time, and to provide all water management facilities and waste water facilities required, necessary or incident thereto, including, without limitation, the acquisition, construction, reconstruction, installation, enlargement, improvement, costs, furnishing, equipping, maintenance, repair, replacement, operation or leasing of such facilities, all in accordance with the terms of Chapter 6119 of the Ohio Revised Code and this Agreement.

ASSIGNMENT OF AGREEMENTS, CONTRACTS, AND PERMITS

The City hereby assigns and the District hereby accepts and agrees to perform all of the responsibilities of the City under all of the agreements, contracts, licenses and permits to which the City is a party regarding the water management facilities and waste water facilities including, but not limited to, all of those listed on Exhibit A, subject to the approval as necessary of any other party to the said agreement, contract, license, or permits.

To the extent that any such agreement, contract, license or permit is not assignable or the other party to such document does not give its approval, the City shall continue to perform its obligations under such agreement, contract, license or permit and the District timely shall reimburse the City for all reasonable costs incurred by the City in performing such obligations. The District shall cooperate with the City as reasonably necessary to

enable or permit the City to perform its obligations under any such agreement, contract, license or permit.

ASSIGNMENT OF FACILITIES

The City assigns, sets over and delivers to the District, and the District accepts from the City, all of the water management facilities and waste water facilities owned by the City as of the date of this Agreement, except as otherwise set forth in this section. The District accepts such water management facilities and waste water facilities in their current, "AS IS" condition, without representation or warranty of any kind by the City.

The parties acknowledge that certain water management facilities and waste water facilities owned by the City as of the date of this Agreement and further described on Exhibit B attached hereto were constructed or installed by the City with proceeds from that certain \$5,320,000 City of Rossford, Ohio General Obligation (Limited Tax) Various Purpose Improvement Bonds, Series 2001 (the "2001 Bonds"). The parties agree that ownership of those water management facilities and waste water facilities shall remain with the City and not be assigned to the District for so long as the 2001 Bonds remain unpaid and outstanding. For so long as the 2001 Bonds remain unpaid and outstanding, the City grants to the District a license to use those water management facilities and waste water facilities for their usual intended purposes and in a manner not inconsistent with the purposes set forth in the 2001 Bonds. During such time the District shall maintain, repair and operate those water management facilities and waste water facilities, but shall not replace, reconstruct or take out of service those water management facilities and waste water facilities without the written consent of the City and its bond counsel.

Upon written certification from the Administrator of the City delivered to the District that the 2001 Bonds have been paid, ownership of those water management facilities and waste water facilities shall be deemed to be transferred to the District without any further action required by either party.

Promptly following execution of this Agreement by the parties, the District shall locate, identify and map in detail the water management facilities and waste water facilities owned by the City as of the date of this Agreement; provided, however, that the failure to include within such map any portions or sections of the water management facilities or waste water facilities shall not be deemed to limit or define the District's responsibilities for such water management facilities and waste water facilities hereunder, which is intended to be all-inclusive of the entire existing water and sewer infrastructure facilities owned by the City as of the date of this Agreement, as well as any future expanded infrastructure facilities located within the corporate area of the City. Before such map is finalized, the District shall share its preliminary drawings with a qualified City public works employee for review and input based upon City information regarding the water management facilities and waste water facilities. In addition, the District will supplement and/or amend its map from time to time to include any changes, additions, expansions or modifications to the water management facilities and waste water facilities during the term of this Agreement, all to the purpose of having a complete record of the total water management facilities and waste water facilities located within the corporate area of the City as it may exist from time to time and those water management facilities and waste water facilities located outside the corporate area of the City which are owned

by the City as of the date of this Agreement. The District agrees to provide to the City a copy of its complete and updated map of the water management facilities and waste water facilities during the entire term of this Agreement and such map, as amended shall be incorporated into this Agreement.

DISTRICT WATER AND SEWER RATES

The parties acknowledge that the operation and maintenance rates charged by the District for water service and waste water service exceed those rates currently charged by the City. The parties desire to minimize the impact of the increase in this part of the water and sewer rates for the City's customers. The District agrees that it will phase in its water operation and maintenance rates for the City's customers over a five (5) year period beginning on January 1, 2011 with the City's customers paying the full District operation and maintenance rates beginning on January 1, 2015. The District agrees that it will phase in its sewer operation and maintenance rates for the City's customers over a three (3) year period beginning on January 1, 2011 with the City's customers paying the full District operation and maintenance rates beginning on January 1, 2013. The schedule of phase in rates is set forth on Exhibit C attached hereto.

The parties acknowledge that the rates charged by the City of Toledo for both water and sewer services within the corporate area of the City ultimately will be determined under a new agreement with the City of Toledo. The phase in schedule is intended to set forth a proportionate "stepping" of the rate increases based upon current rates and anticipated increases by the District. The parties agree that any increases in rates actually charged by the City of Toledo may be passed on to the affected customers

and the phase in schedule may be adjusted accordingly as the parties reasonably can agree. Any surcharge imposed by the City of Toledo or by the District shall be passed directly on to the City's customers, and not subject to being phased in.

Notwithstanding anything to the contrary in this section, the phase in of rates shall not apply to customers in the City's Crossroads area, which customers will pay the full District operation and maintenance rates beginning on January 1, 2011. For purposes of this Agreement, the "Crossroads area" shall be defined as all the areas served off of the S.R. 795 force main and water trunk main.

ASSIGNMENT OF EASEMENTS

The City assigns and the Districts accepts all of the easements held by the City for the use of real property for the water management facilities and the waste water management facilities including but not limited to those easements identified on Exhibit D attached hereto.

CONSENT TO USE RIGHT OF WAY

The City hereby grants to the District the City's consent for the District to use so much of the City right of way as reasonably necessary to be used by the District for the maintenance of the water management facilities and waste water facilities and for additions and improvements to the water management facilities and waste water facilities as determined necessary by the District. Prior to commencing work in any such right of way, except in the case of an emergency, the District shall give the City two (2) weeks advance written notice of the right of way location where work will be performed and the anticipated length of the work project.

TRANSFER OF RECORDS

The City hereby transfers all of its right, title and interest in all of the records used or intended to be used in the operation of the water management facilities and waste water facilities including, but not limited to the records.

ASSUMPTION OF DEBT AND LIABILITIES

The District agrees to assume the balance due on the existing debt charges of the City that are directly related to the construction of its water management facilities and waste water facilities, as set forth on Exhibit E attached hereto. The District shall pay such balances or installment payments thereon directly to the obligee on or before the date that they become due. In the event the underlying obligation has not been or cannot be assigned to the District, the District shall pay such balances or installment payments to the City not less than thirty (30) days before they become due, and the City in turn shall make payment directly to the obligee on or before the date such balances or installment payments become due. The parties acknowledge that the 2001 Bonds cannot be assigned, so payments there under shall be made as set forth in the preceding sentence.

The District also agrees to assume and be responsible for payment of any unpaid existing or future assessed costs, expenses, fines or similar liabilities with respect to the water management facilities and waste water facilities, including the liabilities identified on Exhibit G attached hereto.

TRANSFER OF FUNDS

The City shall retain its Water Fund and Sewer Fund (the "Funds") for a period of one hundred twenty (120) days following the date of the transfer of the operation of the

water management facilities and the waste water management facilities from the City to the District, and from those Funds shall pay any valid pre-transfer obligations with respect to the water management facilities and the waste water management facilities. At the end of the one hundred twenty (120) day period, the City shall deliver any remaining amounts in the Funds to the District. Any bills or charges with respect to the water management facilities and the waste water management facilities received by the City after the Funds have been delivered to the District, regardless when incurred, shall be the responsibility of the District.

REPRESENTATION ON BOARD OF TRUSTEES

The District shall consider amending the Bylaws of the Board of Trustees to provide that there always shall be voting members of the Board of Trustees who are representatives from both the largest municipal corporation and the largest township within the jurisdiction of the District whose corporate area or unincorporated township territory, respectively, are included in the District, which such voting members shall be appointed by the Mayor of such municipal corporation or the Trustees of such Township, as the case may be. Such members may be terminated or removed for the reasons set forth in the Bylaws, but any vacancy created by such termination or removal shall be filled by the Mayor of the municipal corporation or the Trustees of the Township, as the case may be, that appointed the removed or terminated member. In the event that there is a change in the largest municipal corporation or largest Township within the District, the member from the previously largest municipal corporation or largest Township

nevertheless shall serve until the end of such member's regular term or until such member is terminated or removed in accordance with the Bylaws or resigns.

For purposes of this section, "largest municipal corporation and the largest township within the jurisdiction of the District whose corporate area or unincorporated township territory is included within the jurisdiction of the District" shall be determined by the number of active customer accounts for water management and waste water management services in the District.

AFTER HOURS AND EMERGENCY RESPONSE

The District shall be responsible for operation and maintenance of the water management facilities and waste water facilities. However, in the event of a problem or failure of the water management facilities or the waste water facilities located within the corporate areas of the City after normal business hours, or at any time in the event of an emergency, both the City and the District will be notified. A qualified City public works employee promptly will be dispatched to the location to begin to assess the situation and to provide assistance until qualified District personnel arrive, at which time the City public works employee will stand down unless the District personnel request continuing or additional assistance. The parties agree to evaluate this arrangement annually.

The City shall submit to the District, and the District shall reimburse the City for, all reasonable expenses associated with the City response to the afterhours or emergency situation including, but not limited to, wages, equipment, materials and supplies. The City shall submit its expenses for the City response to the afterhours or emergency situation within thirty (30) days following the afterhours or emergency situation, and the

District shall remit its reimbursement to the City within thirty (30) days from the date of such submission unless the District gives written notice to the City within fifteen (15) days from the date of such submission of any objections to the submitted expenses. Any objections raised by the District shall be referred to the Rossford City Administrator and the District Executive Director for resolution.

In order adequately to prepare the City public works employee for appropriate response to the afterhours or emergency situation, the District shall at all times make available to the City reasonable access to the District's geographic information system("GIS") images and other information identifying the location and condition of the water management facilities and waste water facilities located within the corporate areas of the City.

EXTENSION OF FACILITIES AND SERVICES

If at any time during the term of this Agreement the City expands its corporate area by annexation or otherwise, upon reasonable request by the City the District shall extend its water management facilities and waste water facilities into the expanded corporate area and (i) supply, or arrange for the supply of, water, and (ii) provide, or arrange for the provision of, the collection, treatment and disposal of waste water, to or for all customers within the expanded corporate area of the City under the terms set forth in this Agreement.

ANNEXATION COVENANTS

In anticipation of possible future expansion of its corporate area by the City, the District agrees that prior to permitting any future tap into the water management facilities

by or for the benefit of any customer, or before providing new water services to any customer, within any area included in a Joint Economic Development Zone between the City and the supplier of water services to the area, as a condition to the customer obtaining such tap or water services the District shall require such customer or potential customer to sign a recordable agreement which shall both bind and run with the land in a form reasonably approved by the City in which the City is identified as an intended third-party beneficiary which includes covenants substantially as set forth in Exhibit F attached hereto by which such agreement the customer covenants that at such time as the customer's property becomes subject to or capable of annexation to the City such customer shall annex the customer's property to the City and shall exert all reasonable efforts to obtain annexation to the City.

VOLUNTARY REMOVAL FROM DISTRICT

In the event that the City passes an Ordinance by the affirmative vote of an absolute super-majority to voluntarily remove from the District all or any part of the corporate area of the City (the "Removed Territory"), then within thirty (30) days from the date of delivery of a certified copy of such Ordinance from the City to the District the District shall file a petition in the Court of Common Pleas of Wood County, Ohio to request that the Removed Territory be removed from the District. At the hearing and in all other proceedings before the Court the District shall not oppose the removal of the Removed Territory, and the District hereby waives any claim or the right to assert any claim or argument that such removal is not conducive to the public health, safety,

convenience or welfare, or that such removal adversely affects the continued operation of the District without the Removed Territory.

If the petition to remove the Removed Territory is granted, such removal shall be upon the following agreed terms and conditions:

- The District shall assign, set over and deliver to the City, and the City shall accept from the District, all of the water management facilities and waste water facilities then located within the Removed Territory. If the entire corporate area of the City is included in the Removed Property, the District also shall assign, set over and deliver to the City all the water management facilities and waste water facilities located outside the corporate area of the City which were owned by the City as of the date of this Agreement. The City shall accept such water management facilities and waste water facilities in their then-current, "AS IS" condition, without representation or warranty of any kind by the District. In the event any of the water management facilities and waste water facilities within the Removed Territory are pledged as security for existing District financing and cannot reasonably be delivered to the City unencumbered by such pledge, the District shall lease such water management facilities and waste water facilities within the Removed Territory to the City for One Dollar (\$1.00) for so long as such facilities remain pledged under that existing financing. Upon written certification from the President of the District delivered to the City that such facilities no longer are pledged under such existing District financing, ownership of the water management facilities and waste water facilities shall be deemed to be transferred to the City without any further action required by either party.
- The District shall assign and the City shall accept and agree to perform all of the responsibilities of the District under all of the agreements, contracts, licenses and permits to which the District is a party regarding the water management facilities and waste water facilities then located within the Removed Territory, subject to the approval as necessary of any other party to the said agreement, contract, license, or permits. To the extent that any such agreement, contract, license or permit is not assignable or the other party to such document does not give its approval, the District shall continue to perform its obligations under such agreement, contract, license or permit and the City timely shall reimburse the District for all

reasonable costs incurred by the District in performing such obligations.

- The District shall assign and the City shall accept all of the easements held by the District for the use of real property for the water management facilities and the waste water management facilities then located in the Removed Territory.
- The City shall revoke its consent previously given to the District for the District to use so much of the City right of way as was reasonably necessary to be used by the District for the maintenance of the water management facilities and waste water facilities then located in the Removed Territory.
- The District shall reconvey to the City any lands to which the District obtained legal title as a result of the City having previously assigned to the District certain agreements and contracts to which the City was a party.
- The District shall transfer to the City all of its right, title and interest in all of the records used or intended to be used in the operation of the water management facilities and waste water facilities located in the Removed Territory.
- The City shall assume the balance due on the debt charges of the District that are directly related to the construction of its water management facilities and waste water facilities located in the Removed Territory. The City shall pay such balances or installment payments thereon directly to the obligee on or before the date that they become due. In the event the underlying obligation has not been or cannot be assigned to the City, the City shall pay such balances or installment payments to the District not less than thirty (30) days before they become due, and the District in turn shall make payment directly to the obligee on or before the date such balances or installment payments become due. In the event the water management facilities and/or waste water facilities in the Removed Territory are unencumbered by debt charges of the District that are directly related to the construction or replacement of such facilities, the City shall pay the District the then book value of such facilities.
- If there is a representative from the City on the District's Board of Trustees at the time all of the corporate area of the City is included

in the Removed Property, such Board member shall be deemed to have resigned.

- The parties shall make such other agreements, assignments, easements, consents, licenses, transfers and other arrangements as reasonably necessary to accomplish the removal of the Removed Territory from the District according to the terms set forth herein, and to enable the City to fully enjoy the use and benefit of the water management facilities and waste water facilities located in the Removed Territory.

The voluntary removal of the Removed Territory from the District shall terminate this Agreement with respect to the Removed Property, unless all of the corporate area of the City is included in the Removed Property in which case this Agreement shall be terminated in its entirety; provided, however, that the warranty and indemnity provisions of this Agreement shall survive termination.

COMMUNICATION AND COOPERATION

The District and the City's Public Works Committee shall meet in advance of any improvements being undertaken to the water management facilities and waste water facilities located or to be located within the corporate area of the City to discuss the need for the proposed improvements, to review the proposed improvements and to agree upon construction dates. The District agrees to assist the City in applying for grants or other forms of funding assistance related to improvements to be undertaken to the water management facilities and waste water facilities located within the corporate area of the City in an effort to utilize funds spent on District projects within the corporate area of the City in satisfying matching funds requirements for certain grants and programs.

At least annually the District shall make a formal presentation to the full City Council regarding the activities of the District and the state of its affairs.

The City and District agree that representatives from the City's Public Works Committee and the District shall meet at a least quarterly to review water and sewer matters.

WARRANTY AND INDEMNITY

The City hereby warrants that it has no knowledge of any pending or threatened claims or litigation pertaining to the water management facilities and the waste water management facilities other than as set forth on Exhibit G attached hereto. The City further warrants that it has no knowledge of any violations of any regulations of any agencies including but not limited to the operation, maintenance, construction of the water management facilities and the waste water management facilities other than as set forth on Exhibit G attached hereto. Further, the City has no knowledge of environmental issues regarding any of the real Property conveyed to the District other than as set forth on Exhibit G attached hereto.

The City agrees to indemnify and hold the District harmless for any damages, including but not limited to fines, costs of repair, and remediation expenses regarding any damages suffered by the District as the result of the breach of any warranty of the City and/or the failure to disclose any violation or condition that exists prior to January 1, 2011, the date of the transfer of the operation of the water management facilities and the waste water management facilities from the City to the District.

The District shall indemnify the City, its Council and Committee members, employees, agents and representatives from and against any and all liabilities, losses costs, claims, damages (including consequential damages), penalties and expenses (including attorneys' fees and expenses and costs of investigation and litigation) caused by or arising out of or in connection with (i) any breach or failure by the District to perform any agreement, covenant or obligation under this Agreement; (ii) the supply of water to and the provision of the collection, treatment and disposal of waste water to or for all customers within the corporate area of the City, and the provision of all water management facilities and waste water facilities required, necessary or incident thereto, including, without limitation, the acquisition, construction, reconstruction, installation, enlargement, improvement, costs, furnishing, equipping, maintenance, repair, replacement, operation or leasing of such facilities, provided, however, the District shall not indemnify the City for any loss or damage as a result of any negligence or willful omission by the City for first responder services as described in the AFTER HOURS AND EMERGENCY RESPONSE section of this agreement; (iii) any breach of or default under any of the agreements, contracts, licenses and permits assigned by the City to the District in this Agreement which occur or accrue after the effective date of this Agreement, but excepting there from any agreements, contracts, licenses or permits for which the consent of a third party is required and such consent has not been obtained in spite of the good faith efforts by the District and the City to obtain such consent; (iv) the balance due on the debt charges of the City that are directly related to the construction of its water management facilities and waste water facilities and any unpaid existing or

future assessed costs, expenses, fines or similar liabilities with respect to the water management facilities and waste water facilities; and (v) the use of the easements formerly held by the City for the use of real property for the water management facilities and the waste water management facilities and the use of the City's rights of way as used by the District for the maintenance of the water management facilities and waste water facilities and for additions and improvements to the water management facilities and waste water facilities.

OTHER AGREEMENTS

The parties shall make such other agreements, assignments, easements, consents, licenses, transfers and other arrangements as reasonably necessary to accomplish the inclusion of the water management facilities and waste water facilities owned by the City as of the date of this Agreement into the District according to the terms set forth herein.

COSTS OF TRANSACTION

All costs and expenses incurred or to be incurred by the City in consummating the transaction contemplated by this Agreement, other than the City's legal expenses in negotiating this Agreement, shall be the responsibility of the District.

NO PROHIBITION

Nothing in this Agreement shall prevent the City from entering into a joint economic development zone, joint economic development district, or other similar development district provided by Ohio law.

CONFLICT

In the event of a conflict between the provisions set forth in this Agreement and the provisions set forth in Chapter 6119 of the Ohio Revised Code, the provisions of this Agreement shall control unless such provisions are expressly prohibited by law.

ASSIGNMENT

Neither party may assign any of its rights, interests or obligations under this Agreement without obtaining the prior written consent of the other party.

SURVIVAL

Notwithstanding expiration or termination of this Agreement for any reason, this Agreement shall survive for the purpose of enforcing the duties and obligations of the respective parties subsequent to such expiration or termination.

[The rest of this page intentionally is left blank.]

IN WITNESS WHEREOF, the City and the District have signed this Agreement this ____ day of _____, 2010 pursuant to the City’s Ordinance No. 2010-41 passed September 27, 2010, and the District’s Resolution _____ dated _____.

CITY OF ROSSFORD

MAYOR

Approved as to form:

Kevin Heban, City Solicitor

**NORTHWESTERN WATER
AND SEWER DISTRICT**

**JOHN CHENEY, PRESIDENT
BOARD OF TRUSTEES**

Approved as to form:

REX H. HUFFMAN, ATTORNEY

EXHIBIT A

Agreements, Contracts, Licenses and Permits

1. \$5,320,000 City of Rossford, Ohio General Obligation (Limited Tax) Various Purpose Improvement Bonds, Series 2001
2. Water Pollution Control Loan Fund Agreement between Ohio Environmental Protection Agency, Ohio Water Development Authority and City of Rossford, Ohio dated October 31, 1996
3. Lease-Purchase Agreement (Water System Improvements) between Rossford, Ohio Transportation Improvement District and City of Rossford, Ohio dated September 1, 2000.
4. Lease-Purchase Agreement (Sewer System Improvements) between Rossford, Ohio Transportation Improvement District and City of Rossford, Ohio dated September 1, 2000.
5. *Identify current agreement with City of Toledo for sewer services.*
6. *Other*

EXHIBIT B

2001 Bonds Facilities

1. Waterline from terminus at or near intersection of S.R. 795 and Glenwood Road westerly to the City of Perrysburg East Boundary Street pumping station
2. Sewer lines in Glenwood Road from CSX railroad tracks to the Glenwood Road pumping station
3. Sewer lines and a force main along S.R. 795 from Oregon Road to Simmons Road, and a lift station near the intersection of S.R. 795 and the Ohio Turnpike
4. Water and sewer lines on Wales Road south from the existing water and sewer lines to Fairfield Drive, then extending southeast on Fairfield Drive
5. Waterline from Highway 65 to Wales Road and along Wales Road, and sewer line from the current sewer located along the CSX railroad right of way to Wales Road and along Wales Road

EXHIBIT C

Schedule of Phase in Rates

	<u>Current</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Water:</u>						
Base Charge	\$0.00	\$6.10	\$12.20	\$18.30	\$24.40	\$30.50
Volume per 1,000 CF	\$5.71	\$6.78	\$7.85	\$8.92	\$9.97	\$11.00
 <u>Sewer:</u>						
Base Charge	\$0.00	\$8.00	\$16.00	\$24.12		
Volume per 1,000 CF	\$21.34	\$18.39	\$15.44	\$12.50		

EXHIBIT D

Easements

1.

EXHIBIT E

Debt Charges

[See attached schedule.]

EXHIBIT F

Annexation Covenants

1. Applicant shall exert all efforts to obtain annexation of Applicant's property to the City of Rossford when requested by the City of Rossford. If persons other than Applicant, who can legally do so, petition for annexation of property to the City of Rossford and said property includes the property of Applicant, Applicant shall raise no objections to the annexation and will cooperate in any and all respects including signing the annexation petition. Applicant further agrees that if at any time Applicant sells the property or any part thereof for which water service applications are being made, Applicant will require as a condition of sale that the purchaser enter into a similar agreement with the District, and Applicant will cause a restrictive covenant to be placed in the deed to purchaser which covenant will require the purchaser and all subsequent purchasers to exert all efforts to obtain annexation of said property to the City of Rossford.

2. It is agreed by Applicant as a condition of obtaining water service that if at any time Applicant fails to carry out the provisions of this agreement, the water service to the property may be terminated by the District or its assigns upon ten (10) days written notice.

3. Each applicant of the District's water service, by the acceptance of such service, subjects the applicant's property to all restrictions, covenants and the jurisdiction, rights and powers of the District or its assigns, created or reserved by this agreement, and all restrictions, covenants, rights and privileges of every character hereby created and all obligations hereby imposed, shall run with the land and bind every owner of any interest therein as though the provisions of this agreement were recited and stipulated at length in each and every deed transferring the property. The violation of any restriction or condition, or the breach of any covenant or provision herein contained shall give the District or its assigns the right to enjoin, abate or remedy by appropriate legal proceedings, either in law or equity, the continuance of any breach.

EXHIBIT G

Claims and Litigation

1. Potential fines and assessments and/or correction order from Ohio Environmental Protection Agency for improper discharge from Colony Road pumping station
2. Demand for reimbursement from Northwestern Water and Sewer District for repairs/improvements to sewer interceptor at intersection of S.R. 795 and Oregon Road
3. *Other*