

RESOLUTION NO.: 93- 2023  
INTRODUCED BY: Mayor Thomas and All of Council

A RESOLUTION TO AUTHORIZE THREE (3) AGREEMENTS WITH THE CITY OF CLEVELAND RELATED TO WATER SERVICE -- RESTATEMENT OF THE WATER SERVICE AGREEMENT FOR DIRECT SERVICE, ASSET TRANSFER AGREEMENT, AND MUNICIPAL UTILITY DISTRICT AGREEMENT.

WHEREAS, the City of Richmond Heights ("Richmond Heights") is currently served exclusively by the City of Cleveland Division of Water ("Cleveland") for its public water source, which was most recently memorialized in a Water Service Agreement entered into on April 16, 1982 whereby Cleveland supplies the potable water to the Richmond Heights community, but Richmond Heights owns the water main distribution lines within the Richmond Heights corporate limits;

WHEREAS, although under the current Water Service Agreement, Cleveland is responsible for the repair and maintenance of the main distribution lines and appurtenances with the cost thereof being built into the rates for water service, Richmond Heights remains responsible for the installation, cleaning, relining and replacement of those lines, as well as being responsible for: the maintenance and repair of such lines under certain circumstances, certain claims for damages to public right of ways, and final repairs to street right of ways due to excavations for repairs;

WHEREAS, under the proposed new Water Service Agreement and the Asset Transfer Agreement, Cleveland will assume ownership of all water main distribution lines in Richmond Heights and Cleveland will be solely responsible for their maintenance, repair, and replacement at its cost;

WHEREAS, under the proposed new Water Service Agreement and the Municipal Utility District Agreement, the parties will agree that when businesses relocate to one of the parties' jurisdictions to the other party's jurisdiction: to limit the extent of any real estate tax abatements; not to offer any income tax abatements; and to share net income tax revenues of relocating businesses on a 50/50 percent basis for a period of five (5) years; and this Council finds and determines in entering into the Municipal Utility District Agreement that: (1) the creation of the municipal utility district will facilitate new and expanded growth for commercial or economic development in the state of Ohio; (2) substantial consideration exists to support the municipal utility agreement; and (3) the contracting parties are entering into the municipal utility district agreement freely and without duress or coercion related to the amendment, renewal, or termination of the separate contract for utility services;

WHEREAS, under the proposed new Water Service Agreement, Richmond Heights will be eligible to participate in Cleveland's "Suburban Water Main Renew Program", a program that on a bi-annual basis scores suburban communities' proposed water main distribution line replacement projects in those suburban communities, based upon certain criteria of the need for replacements, and funds those projects at Cleveland's cost.

WHEREAS, this Council finds that entering into the aforesaid agreements with Cleveland will further the health, safety and general welfare of the citizens of Richmond Heights and there is a need for the within authorization and the agreements to go into effect on an expedited basis in order to meet the September 1, 2023 deadline for Richmond Heights' participation in the Suburban Water Main Renewal Program;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Richmond Heights, State of Ohio, that:

Section 1: The Mayor is authorized to execute the following agreements on behalf of the City of Richmond Heights for the continued supply of public water service to Richmond Heights, the transfer of the Richmond Heights' water main distribution lines to Cleveland, and establishment of a policy related to the economic development interests of both parties (all three (3) of said agreements are on file with the Clerk of Council for public inspection):

- Restatement of the Water Service Agreement for Direct Service;
- Asset Transfer Agreement; and
- Municipal Utility District Agreement.

Section 2: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 3: This Resolution shall take effect and be in force from and after the earliest period allowed by law.


PASSED: June 27, 2023

APPROVED: June 27, 2023

  
Kim A. Thomas, Mayor

ATTEST:

Donnie L. Hunter  
Donnie L. Hunter  
Clerk of Council

  
Bobby Jordan  
President of Council