

MEMBER COMMUNITY INFRASTRUCTURE PROGRAM POLICY

I. PURPOSE

The Member Community Infrastructure Program (MCIP) is a funding program provided by the Northeast Ohio Regional Sewer District (District) to assist member communities and eligible political subdivisions of the State of Ohio within the District's territory that own, operate, and maintain eligible publicly owned sewerage system infrastructure tributary to a District wastewater treatment plant. MCIP funding is used for cost-effective sewer infrastructure projects to address water quality and quantity issues associated with sewer infrastructure that adversely impact human health and the environment.

The MCIP provides an equitable funding opportunity annually to member communities and eligible political subdivisions for sewer infrastructure repair and rehabilitation that will:

- Continue progress towards environmentally sustainable and healthy communities through protection and improvement of the region's water resources consistent with the vision of the District.
- Provide funding opportunities to Equity Investment Focus Areas based on the District's understanding of socioeconomic characteristics of ratepayer households within the District's service area that supports sewer infrastructure improvements.
- Support efforts to assist member communities' compliance with the District's Community Discharge Permit Program.
- Improve the function and condition of local sewer systems.
- Identify and remove sources of inflow and infiltration (I/I) from the sewer system, which preserves the hydraulic capacity of the local and District's sewer system and alleviates problems such as basement flooding.

II. ELIGIBILITY

Eligible Entities: NEORSD member communities and those political subdivisions of the State of Ohio that are authorized under Ohio law to own, operate, and maintain public sewerage system infrastructure as defined herein. Member communities must be in compliance with the Water Quality Technical Support Program under the District's Title III Separate Sanitary Sewer Code to be eligible to receive MCIP grant funding.

Eligible Public Sewerage System Infrastructure: "Public Sewerage System Infrastructure" as used herein means local infrastructure that provides public sanitary sewage collection and conduction service tributary to an NEORSD wastewater treatment plant, but does not include individual property or building service laterals and pumps, plumbing fixtures, building drains and

subdrains, building sewers, and building storm sewers that only service the property of the member community or eligible political subdivision.

Eligible Projects: Eligible Projects include but are not limited to the following. Projects that:

- Mitigate sanitary sewer overflows & illicit discharges.
- Mitigate infiltration & inflow.
- Eliminate failing home sewage treatment systems.
- Improve local sewer system level of service.
- Manage stormwater flow to improve combined/separate sanitary sewer level of service.
- Separate over/under common trench sewers

Project Requirements: Projects must meet the following minimum requirements:

- Reduce water quantity issues and address water quality issues that impact human health and the environment associated with combined or separate sanitary sewer infrastructure problems, as determined by the District.
- Located in the District's sanitary sewer service area <http://arcg.is/2bPxzEt>.
- Include a minimum of 25% non-District matching funds dedicated to the project. The District, at its sole discretion, may waive the 25% matching funds requirement for an eligible entity including situations in which the Office of the Auditor of the State of Ohio has identified the local government in fiscal caution, fiscal watch or fiscal emergency status.
- Meet all applicable District, federal, state, and local regulations, and requirements.
- Cannot be the subject of a contract which transfers ownership of the project to a private entity.

III. FUNDING

Subject to available funding and annual District Board of Trustee (BOT) approval, the District anticipates funds will be available annually through a competitive process. The District will annually review the terms and conditions of the MCIP and may modify these terms and conditions based on lessons learned from previous funding rounds. There are two (2) mechanisms for funding under the MCIP: (1) MCIP Grant or (2) a Community Operating Lease. The District will determine the appropriate funding mechanism during the application review process.

All available MCIP funds will be provided by the District to Grantees for direct project costs, conditioned on the District's prior approval of the project and Grantee's compliance with this Policy and the executed Project Agreement. If the Grantee fails to maintain a project funded through the MCIP in accordance with applicable agreements executed with the District, it shall be liable for the full amount of MCIP funds paid for the project.