

SPONSORSHIP AGREEMENT
by and between
COLUMBUS AND FRANKLIN COUNTY METRO PARKS
and the
CITY OF COLUMBUS
for the
OHIO WATER POLLUTION CONTROL LOAN FUND
WATER RESOURCE RESTORATION SPONSOR PROGRAM
MORGAN HEADWATERS WETLANDS CONSERVATION 2010
PROJECT CS392899-01A

WHEREAS, the State of Ohio has created the Water Pollution Control Loan Fund ("WPCLF") pursuant to O.R.C. 6111.036 to provide financial assistance for water resource protection and improvement actions; and

WHEREAS, the Ohio Environmental Protection Agency ("Ohio EPA") has created the Water Resource Restoration Sponsor Program ("WRRSP") within the WPCLF for the effective perpetual protection and maintenance of Ohio's high quality aquatic ecosystem resources; and

WHEREAS, an applicant applying to the WPCLF for financing of a water quality improvement project may also sponsor a qualifying WRRSP project to be undertaken by itself, or by an entity with the ability to implement the WRRSP project; and

WHEREAS, the City of Columbus ("Sponsor") is applying for funding from the WPCLF for the wastewater improvement project number CS390274-0129 and wastewater improvement project number CS390274-0137 and has agreed to sponsor the Morgan Headwaters Wetlands Conservation 2010 Project ("WRRSP Project") as part of those WPCLF loans; and

WHEREAS, the Columbus and Franklin County Metro Parks ("Implementer") has agreed to undertake the implementation of the WRRSP Project, which will be further described in the Ohio EPA-approved final Restoration and Protection Plan ("the Plan");

WHEREAS, the Sponsor and the Implementer have the common purpose of completing the WRRSP Project to protect and improve water resources within the State of Ohio, in accordance with the Plan; and

WHEREAS, the Implementer will be a party to the environmental covenant ("Covenant") to be developed under O.R.C. Sections 5301.80 – 5301.92 to document the activity and use limitations imposed upon the property associated with the WRRSP Project as a condition of WPCLF assistance.

THEREFORE, the Sponsor and the Implementer agree to be bound by the terms and conditions of this WRRSP Sponsorship Agreement.

SECTION I. GENERAL PROVISIONS

A. Pursuant to the intent of the WRRSP, the Sponsor and the Implementer agree that the essence of this agreement is for the parties to carry out their respective responsibilities in perpetuity for the planning, implementation, management, preservation, and maintenance of the WRRSP Project and its associated water resources in accordance with the Plan and the Covenant.

B. The parties agree that failure to implement the terms of this Agreement, the Plan, or the Covenant may be determined by the Ohio EPA to be an instance of default by the Sponsor on its WPCLF Loan Agreement. The Sponsor and the Implementer further agree that remedies provided under the WPCLF Loan Agreement may be invoked by the Ohio EPA against the Sponsor for unresolved instances of default. The Implementer acknowledges that the Ohio EPA shall seek to resolve any failure to conform to the provisions of the Covenant or to implement the Plan first by seeking remedy directly from the Implementer before taking action against the Sponsor.

C. The parties agree that, if the Ohio EPA determines that the Implementer has failed to conform to the provisions of the Covenant or to implement the Plan, it may declare such failure an event of default and shall provide the Implementer and Sponsor with written notice of such event of default. If the Implementer fails to cure such default in a timely manner, the Sponsor shall have the right to take all steps necessary to cure the default in order to avoid the Ohio EPA's invoking remedies against the Sponsor for unresolved instances of default under the WPCLF Loan Agreement.

D. The Sponsor shall be responsible only for direct costs associated with the loan related to the Sponsor's sewer project. Any costs not directly related to the Sponsor's project shall be the responsibility of the Implementer, including but not limited to costs associated with Ohio Water Development Authority administrative or application fees, Ohio EPA administrative fees, capitalized interest, real estate fees, recording and filing fees, attorney fees, or any and all future costs associated with the WRRSP project.

E. In any instance in which the Sponsor has incurred costs arising out of a finding of default or a failure to cure on the part of the Implementer, the Sponsor shall be entitled to recover all reasonable costs related thereto from the Implementer.

SECTION II. WRRSP PAYMENT REQUESTS AND DISBURSEMENTS

All requests for disbursement of funds for eligible expenses to implement the WRRSP Project shall be submitted on the Water Pollution Control Loan Fund WRRSP Disbursement Request form provided by the Ohio EPA. The Implementer and the Sponsor agree to review all disbursement requests to ensure that they are appropriate expenses within the scope of the WRRSP Project.

Disbursement requests shall first be reviewed and approved by the Implementer, which shall then submit them to the Sponsor. The Sponsor shall review and approve the disbursement requests and submit them to the Ohio EPA, Division of Environmental and Financial Assistance, with a completed copy of the accompanying disbursement request form. The Ohio EPA will review and approve disbursement requests for eligibility and reasonableness, based on conformance with the items identified in Exhibit 1A of the WPCLF Loan Agreement between the Sponsor and the Ohio EPA, which is attached to and made part of this Agreement as Exhibit 1A. Upon Ohio EPA's approval of the disbursement requests, the Ohio Water Development Authority is authorized to disburse funds directly to the Implementer or an escrow agent designated by the Sponsor.

SECTION III. WRRSP PROJECT SCHEDULE

The Implementer agrees that it shall not begin implementation of the WRRSP Project prior to the completion of all necessary approvals by the Ohio EPA and the execution of the WPCLF Loan Agreement by all parties, or alternatively, prior to the receipt of approval from the Ohio EPA to do so. All actions to implement the WRRSP Project that are called for under the loan agreement or in the Plan shall be completed by the Performance Certification Date identified on Exhibit 1 of the Sponsor's WPCLF Loan Agreement.

SECTION IV. OBLIGATION TO PROTECT AND MAINTAIN THE WRRSP PROJECT

The Sponsor and Implementer recognize the value of the area associated with the WRRSP Project as an aquatic ecosystem resource, as well as its value as a scenic, natural, and aesthetic resource. Upon completion, the WRRSP Project will contribute to the physical, biological, and chemical integrity of the water quality of the Darby Creek watershed. These and other conservation values associated with the WRRSP Project have been documented in the Plan as approved by the Ohio EPA, and included in the Covenant.

The parties agree that the Plan and the Covenant constitute the basis for subsequent actions by the Implementer under this Agreement, and are incorporated herein by reference. Without limitation, the Plan is intended to serve as an objective information baseline for monitoring perpetual conformance with the Covenant. The Implementer agrees to undertake and perform the Sponsor's responsibility for perpetual protection and maintenance of the WRRSP Project in accordance with the Plan and the Covenant. If there is a conflict between the terms of the Plan and the terms of the Covenant, the terms of the Covenant shall govern.

SECTION V. INDEPENDENCE OF PARTIES

The Sponsor and the Implementer are independent parties and neither of the parties shall be considered an agent for the other party.

SECTION VI. TERMINATION

A. The Sponsor and the Implementer shall work together under this Agreement to complete the WRRSP Project in accordance with the Plan. However, the Sponsor and the Implementer specifically retain the right to terminate this Agreement for any reason with written notice to the other party not less than five (5) days prior to the date that the Sponsor enters into the WPCLF Loan Agreement.

B. If the Ohio EPA does not award WPCLF assistance for the WRRSP Project, either the Sponsor or the Implementer may terminate this Agreement.

SECTION VII. DEFAULT

In the event of default by any party under this Agreement, the non-defaulting party will have all remedies available to it at law or in equity, including right of termination, injunctive relief and the right to specific performance. No party shall be deemed to be in default of this Agreement unless and until the other party has provided written notice to the defaulting party specifying the default and (a) in the case of a monetary default, the defaulting party fails to cure the default within fifteen (15) days of notice; or (b) in the case of any other type of default, the defaulting party fails to cure the default within thirty (30) days of notice, or fails to commence and diligently prosecute such cure to completion if such cure cannot, with reasonable diligence, be completed with such thirty-day (30) period.

SECTION VIII. NOTICE

Any document or communication required by this Agreement shall be submitted to:

Sponsor

Director
City of Columbus Department of Public Utilities
910 Dublin Road
Columbus, Ohio 43215

Implementer

Executive Director
Columbus and Franklin County Metro Parks
1069 W. Main Street
Westerville, Ohio 43081

Ohio EPA

Chief
Division of Environmental and Financial Assistance
Ohio EPA
P.O. Box 1049
Columbus, Ohio 43216-1049

SECTION IX. COMPLIANCE WITH LAWS

In performing their obligations hereunder, the parties hereto will comply with all applicable federal, state, and municipal laws.

IT IS SO AGREED:

Remainder of this page intentionally blank.

City of Columbus (Sponsor)

By: _____

Name: _____

Title: _____

Date: _____

Approved as to Legal Form

**Columbus and Franklin County
Metro Parks (Implementer)**

By: _____

Name: John R. O'Meara

Title: Executive Director

Date: _____