

SEWER SERVICES AGREEMENT

This Sewer Services Agreement is entered into this ___ day of April, 2013 (hereinafter the “Effective Date”) by and between GOJO Industries, Inc., One GOJO Plaza, Suite 500, Akron, Ohio 44309 (hereinafter “GOJO Industries”) and County of Summit, Ohio acting through its Department of Environmental Services, 2525 State Road, Cuyahoga Falls, Ohio 44223 (hereinafter “Summit County”), collectively referred to herein as the “Parties.”

Recitals

WHEREAS, Summit County provides sewage disposal services to users within the Summit County Metropolitan Sewer District pursuant to ordinances adopted by the Council of Summit County. Chapters 921, 923 and 925 of Part Nine, Title Five of the Codified Ordinances of the County of Summit, which may be amended from time to time (hereinafter the “Sewer Service Ordinances”), establish the terms and conditions for sewage disposal services provided by Summit County, including user charges, surcharges, industrial pretreatment charges and other terms and conditions of service; and

WHEREAS, GOJO Industries is an industrial user and receives sewage disposal services provided by Summit County at its industrial facilities located at 3783 State Road, Cuyahoga Falls, Ohio 44223, which includes the real property with permanent parcel numbers 3506281, 3506308 and 3506361 (hereinafter the “Lippman Campus”) and operates under Industrial Wastewater Discharge Permit No. 85001; and

WHEREAS, industrial process wastewater discharge flows at the Lippman Campus are not metered. The Parties further acknowledge that metered industrial wastewater discharge flow at the Lippman Campus would not accurately reflect the volume of industrial wastewater discharge flow for billing purposes under the Sewer Service Ordinances because the industrial

process at the Lippman Campus is unique and highly specialized and the character of the resultant wastewater discharge, which includes wastewater foaming, renders metering for purposes of determination of volume for billing purposes inaccurate; and

WHEREAS, the Director of the Summit County Department of Environmental Services has the authority under the Sewer Service Ordinances to determine sewage or wastewater flows for non-metered discharges by any method which more accurately reflects the volume of discharge and to enter into agreements with users which establish the terms and conditions under which sewage or wastewater of unusual strength or character may be accepted and treated. (See, e.g., Sections 923.01(d) and 923.12(b) of Chapter 923 of the Sewer Service Ordinances); and

WHEREAS, the Parties desire, and intend by this Sewer Services Agreement, to memorialize and establish the methodology for determining industrial process wastewater discharge flows at the Lippman Campus, and future facilities as herein defined, and other terms and conditions of sewage disposal services provided by Summit County to GOJO Industries in order to provide predictability, stability and certainty for the Parties during the Term of this Sewer Services Agreement.

Now, therefore, in consideration of the mutual covenants and terms and conditions contained herein, the Parties agree as follows:

Section 1: Methodology for Determination of Wastewater Discharge Flow and User Charges.

The Parties agree to the following methodology for determination of wastewater discharge flow and user charges for billing purposes for sewage disposal services provided by Summit County to GOJO Industries at the Lippman Campus, and future facilities as hereinafter defined, under the Sewer Services Ordinances, as may be amended from time to time, for the

Term of this Sewer Services Agreement. An example of a Billing Worksheet reflecting the application of this methodology is attached as Exhibit A.

- a) Total Plant Water Flow for the Applicable Billing Period shall be the total volume of water (hcf) supplied to the Lippman Campus during the Applicable Billing Period determined by total metered public water currently supplied by the City of Cuyahoga Falls and/or from any other public water supply source.
- b) The Applicable Billing Period shall be the monthly, quarterly or other periodic billing period applicable to industrial users under the Sewer Service Ordinances.
- c) Of the Total Plant Water Flow for the Applicable Billing Period, 52.6% shall be attributed to Water Used In Product (hcf) and 47.4% shall be attributed to Total Wastewater Discharge Flow (hcf). Water Used In Product shall be that portion of the Total Plant Water Flow consumed in the manufacture of products at the Lippman Campus and not discharged. Total Wastewater Discharge Flow shall include volumes of Sanitary Sewer Flow and Industrial Wastewater Discharge Flow as hereinafter defined.
- d) Sanitary Sewer Flow (hcf) for the Applicable Billing Period shall be the volumes of Sanitary Sewer Flow (hcf) determined by estimated sewer flow in gallons per day based on applicable flow guides established in the Sewer Service Ordinances. For purposes of elaboration, the flow guides currently applicable to the Lippman Campus under the Sewer Services Ordinances are: Factories (no showers) – 25 gpd/employee, Factories (with showers) – 35 gpd/employee, and Office Buildings – 20 gpd/employee. Should GOJO elect to meter Sanitary Sewer Flow in the future, then Sanitary Sewer Flow shall be the metered Sanitary Sewer Flow.
- e) For the Applicable Billing Period, Sanitary Sewer Flow (hcf) shall be subtracted from Total Wastewater Discharge Flow (hcf) and the result shall be the Industrial Wastewater Discharge Flow (hcf) for the Applicable Billing Period.
- f) The Parties acknowledge and agree that stormwater runoff is separately collected and retained on-site and does not, and shall not, contribute to Total Wastewater Discharge Flow.
- g) User Charges for Sanitary Sewer Flow charged by Summit County to GOJO Industries for the Applicable Billing Period shall be the User Charges applicable to Industrial Users as established in the Sewer Service Ordinances, as may be amended from time to time, applied to the volumes of Sanitary Sewer Flow for the Applicable Billing Period as provided above. For purposes of elaboration, the User Charge for 2012 as established in the Sewer Service Ordinances and applicable to Industrial Users whose water consumption is not measured by meter readings is currently \$79.59/benefit/month.
- h) User Charges for Industrial Wastewater Discharge Flow charged by Summit County to GOJO Industries for the Applicable Billing Period shall be the User Charges

applicable to Industrial Users as established in the Sewer Service Ordinances, as may be amended from time to time, applied to the volumes of Industrial Wastewater Discharge Flow for the Applicable Billing Period as provided above. For purposes of elaboration, the User Charge for 2012 as established in the Sewer Service Ordinances and applicable to Industrial Users whose water consumption is measured by meter readings is currently \$8.52 per 100 cubic feet of water.

i) Surcharges for the Applicable Billing Period are separately addressed in Section 2 below.

Section 2: Surcharges.

Under the Sewer Service Ordinances, the Director of the Summit County Department of Environmental Services has the authority to determine surcharges applicable to concentrations or limits of industrial waste which exceed the concentrations or limits established under the Sewer Service Ordinances on an individual basis to reflect the cost incurred by the County to treat the excess waste loads. (See e.g., Section 923.02(c) of Chapter 923 of the Sewer Service Ordinances). The Parties agree that during the Term of this Sewer Services Agreement, monetary surcharges applicable to concentrations or limits of industrial waste discharged at the Lippman Campus during any Applicable Billing Period shall apply at the lower monetary amount of the surcharges established under the Sewer Service Ordinances or the surcharges charged to Summit County under its sewage disposal contract with the City of Akron.

Section 3: Credit For Diverted Discharge Programs.

During the Term of this Sewer Services Agreement, GOJO Industries may establish Diverted Discharge Programs to further reduce Industrial Wastewater Discharge Flow at the Lippman Campus. The Parties acknowledge that such Diverted Discharge Programs will benefit both Parties. A “Diverted Discharge Program” is hereby defined to be a new operations program or procedure, established after the Effective Date of this Sewer Services Agreement and implemented at the Lippman Campus, which has the demonstrated effect of either increasing the

attributed percentage of Water Used In Product as provided above, that is 52.6%, or otherwise reducing the volume of Industrial Wastewater Discharge Flow at the Lippman Campus. For purposes of elaboration, such Diverted Discharge Program may include on-site recycling, processing controls, pre-treatment, diversion of waste or wastewater for alternative treatment and disposal or other programs or procedures that reduce the volume of Industrial Wastewater Discharge Flow.

In the event GOJO Industries establishes a qualifying Diverted Discharge Program during the Term of this Sewer Services Agreement, GOJO Industries may prepare a report describing the Diverted Discharge Program and the demonstrated effect on reducing Industrial Wastewater Discharge Flow at the Lippman Campus. The report shall be certified by an officer of GOJO Industries. The County shall have 30 days to review and approve the report, approval of which shall not be unreasonably withheld. If the County takes no action on the report within 30 days of receipt, it shall be considered approved. Upon approval, GOJO Industries shall be entitled to a monetary credit for any Applicable Billing Period equal to the volume of reduced Industrial Wastewater Discharge Flow times the applicable User Charge described above. The monetary credit shall be applied to billings for any Applicable Billing Period.

Section 4: Applicability of Sewer Service Ordinance/Permits.

To the extent not inconsistent with the terms and conditions of this Sewer Services Agreement, the terms and conditions of the Sewer Service Ordinances and GOJO Industries' Industrial Wastewater Discharge Permit, as either may be amended from time to time, shall apply to the sewage disposal services provided by Summit County to GOJO Industries.

Section 5: Service Facilities/Location.

This Sewer Services Agreement shall apply to sewage disposal services provided by Summit County to GOJO Industries at its industrial facilities located at the Lippman Campus, including any and all future additions, modifications, extensions, enlargements and improvements therein. The Parties further agree that this Sewer Services Agreement shall also apply, at the option of GOJO Industries, to any new industrial facilities of similar nature to the Lippman Campus which may be located and operated at other locations within the Summit County Metropolitan Sewer District during the Term of this Sewer Services Agreement. For purposes of this Agreement, “facilities of similar nature” means the character of the facilities’ wastewater discharge renders metering for purposes of determination of volume for billing purposes inaccurate.

Section 6: Terms of Agreement/Renewal.

This Sewer Services Agreement shall commence on the Effective Date referenced above and shall continue for a period of twenty-five (25) years thereafter. The Parties may further extend the Term of this Sewer Services Agreement upon mutual agreement.

Section 7: Termination Rights.

GOJO Industries may terminate this Sewer Services Agreement at any time prior to the expiration of its Term upon sixty (60) days advance written notice to Summit County. In the event of termination, sewage disposal services to GOJO Industries shall be subject to the terms and conditions of the Sewer Service Ordinances as are generally applicable to Industrial Users.

Section 8: Assignment.

GOJO Industries shall be entitled to assign this Sewer Services Agreement to a third-party with facilities of similar nature to the Lippman Campus that are located in places covered

by this Sewer Services Agreement, or by extensions of this Sewer Services Agreement in accordance with Section 5 above. GOJO Industries shall provide sixty (60) days advance written notice of assignment to Summit County.

Section 9: Governing Law.

This Sewer Services Agreement shall be governed by Ohio law.

Agreed:

Date: _____

By _____
Russell M. Pry, County Executive
On Behalf of County of Summit, Ohio

Date: _____

By _____
On Behalf of GOJO Industries, Inc.

Approved as to form:

Date: _____

By _____
Director, Department of Law, Insurance
and Risk Management