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To the voters of Cincinnati an open letter as to the FAU Alternative MSD Operation Transition and Cooperation Agreement Commitment Letter on over \$3B worth of contracting opportunities

This is a summary of the FAU Alternative MSD Operation Transition and Cooperation Agreement Commitment Letter ("Alternative Commitment Letter") which is the result of an extensive work began in 2012 by Hargrove Engineering LLC and presented in summary to the BOCC on 2012 in regards to a fixed price proposal for SSO5 of \$235M as part of the 2012/2013 South Fairmont Sustains proposal. FAU greatly appreciate the BOCC and City leadership and judgment in the creation of environment where the current parties to the MSD Case the City of Cincinnati (City) and the Board of the County Commissioners of Hamilton (BOCC) can request that the Court terminate the Protective Order so that they may engage in public discussion of this Alternative Commitment Letter. Under this proposal, the parties agree as follows:

## 1. <u>Transfer of Operations</u>.

The 1968 Operating Agreement shall be terminated and replaced by a proposed Agreement that shall transfer all of the operations of the Ohio Revised Code ("ORC") Chapter 6117 County Sewer District known as the Metropolitan Sewer District of Greater Cincinnati or MSD ("Sewer District") from the City to and the BOCC, subject to the terms below. There shall be a new company created which shall own and operate MSD as a public private partnership and it shall be called the Queen City Public Private Partnership Company ("QCP3") with 20,000 HH in Cincinnati owning .01% of QCP3.

## 2. Community Benefit Obligations (CBO).

QCP3 would agree to the following community benefit agreements:

- A. Assume all debt associated with MSD issued by BOCC and City including expenses of the Consent Decree including over \$900M in current debt and up to \$6B in future debt.
- B. QCP3 management multibillion dollar infrastructure will be overseen by investor driven team that has experience in not only cost cutting but in developing best practice state cost effective of the art solutions.
- C. Protect the county economic development future with targeted rate payment subsidies i.e. because of the requirement to meet consent decree requirements our rate structure is meant to increase greater than those in surrounding governments and through these mechanisms we will meet that challenge.
- D. The Sewer District shall not discriminate against any Sewer District employee or contractor based on race, gender, age, color, religion, disability status, marital status, sexual orientation or transgender status, or ethnic, national, or Appalachian regional origin. The Sewer District shall comply with all applicable laws regarding contacting, including those designed to address discrimination against women,



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minorities including adherence to the city Croson study and shall pay for such a study to be conducted on a countywide basis, disadvantaged citizens, and small businesses.

- E. Create a 2-billion-dollar fund for businesses in Hamilton county to work on projects for the sewer district that support the economic success of all American citizens in the County and that support the City and BOCC commitment to promoting policies to promote and protect diversity and inclusion in their hiring and contracting practices.
- F. Create a bioscience level IV containment system that created potable water that is used to grow food for the over 50,000 poor children of Hamilton county as part of a billion dollar CBO.
- G. Make Hamilton county the smart sewer development capital of the world which then leverages our state of the art infrastructure as was planned by the US State Dept. in 2012 when the US government held the US Africa Business Conference here and featured MSD as a sales tool of the USA capacity to support the sewer needs of the 1.2 billion people of the 55 nations of Africa. It is expected that this plan of action will create over 5,000 high paying jobs by 2030 and under the agreement these would-be residents of the county.
- H. Protect the ratepayer with a 2 billion investment in housing in the county that is lead free and whose long-term mortgage payments create profits that go into payments for sewer users based on this Community Benefit Agreements that would be financed by the sales of MSD that would have four components to it –
- 1. The QCP3 Rites of Passage Housing Program Public Housing Recapitalization will provide for current and future residents of public housing in the county in the building of new homes in mixed-use developments in the core city with an emphasis on building at least 5,000 single room occupancy units and 5,000 3-bedroom family units.
- 2. The QCP3 New American Rites of Passage Housing Program is based on Everyone Deserves a Home will start with Veterans, then people with Disabilities, then Seniors, then new Adults till everyone in the county has a home and there is no one without including support for social and health program support like that needed for those addicted to drugs.
- 3. In our The QCP3 New American Rites of Passage Housing Program Low-Moderate Income Housing program. We will concentrate on offering homes to our teacher's aides in our schools, child care professionals, home health care professionals, and low-income public service workers including those who have volunteered to serve in the Ohio National Guard or U.S Military as a special focus.
- 4. The QCP3 Market Rate Housing program is ring safety back in the neighborhoods by offering the employees of MSD as well as police, deputy sheriffs, bailiffs and others in the Justice System as well as other government employees for below market rate loans to build a home in the city and or county, depending where employed. We would offer funds to all federal government employees to build a new home in the city and or the county, notwithstanding their credit score.

The FAU MSD project has the objective of bringing world class sewage treatment to over a billion people.