



May 15, 2025

John Logue, Director  
Ohio Environmental Protection Agency  
50 W. Town St., Suite 700  
Columbus, OH 43215

Dear Director Logue:

We, the mayors of Johnstown, Alexandria, and Granville, which have formed the Municipal Utility Coalition of Licking County (Coalition) are writing to you in response to a February 24, 2025, letter your office received from the Licking Regional Water District (LRWD) that argued that the Coalition should not be authorized to provide wastewater services in western Licking County under a revised 208 Plan. Because this matter is as complicated as it is important, we have taken the liberty of preparing a comprehensive reply.

Underlying everything is a basic disagreement between the parties regarding their vision of the future of the area. The Coalition believes that economic development is essential, but successful long-term growth can only be achieved if it is planful, economically viable, and incorporates the residents' desires to maintain the sense of community and the high-quality schools we have worked so hard to achieve. LRWD's objectives appear to be to ensure control of the service area and encourage growth at an aggressive pace and with higher density. LRWD's plans conflict with the goals of the community, as articulated in the Licking County FRAMEWORK report, and will overwhelm our schools. LRWD's plan is unsustainable and is likely to destabilize the area, both economically and culturally.

The first section of this letter provides a detailed comparison between the Coalition and LRWD on the four issues that we think drive and reflect the party's disparate visions: (1) their ability and willingness to serve as a regional provider of utilities; (2) the ways and means they plan to provide service to the area (engineering); (3) the financial ability and financial model of the two parties; and (4) the very different perspectives and effects the party's visions will have on

the schools. The second part of the letter provides a granular response to LRWD's arguments as it is necessary to address its multiple inaccurate statements with facts.

In this letter, we refer to documents that substantiate the facts set forth herein and belie LRWD's aspersions. In order that you may confirm these facts, we have created a ShareFile where these documents may be examined. Please use this link: [Coalition Substantiating Files](#).

## **SECTION ONE: Regionalization, Engineering, Finances, Schools**

### **Ability and Willingness to Function as a Regional Provider**

The attributes of a regional provider of any service are that it has (1) a base in the service area, (2) adequate financial resources, and (3) appropriate infrastructure, which allows it to provide a wider range of services at a lower cost. The location of the infrastructure is critical. The more remote, impractical, and costly the facilities, the less relevant they are.

The Coalition currently consists of three municipalities whose roots in the disputed service area (Monroe, St. Albans, and Northern Jersey Townships) trace back to the early 1800s. We use the term "currently" because the Coalition is willing to add additional wastewater-owning municipalities to further expand the region to which its members can collaboratively provide utility services.

*LRWD was formed in 1989 and does not have an agreement with any other utility provider.*

In addition to their long experience providing utility services, the municipalities are also responsible for and have the expertise, resources (financial and otherwise), and experience to provide streets, sidewalks, lighting, storm sewers, parks; and critical services such as land use planning, economic development, and police.

*LRWD only owns and operates wastewater and water supply facilities.*

Collectively, the Coalition owns and operates three wastewater treatment plants (WWTP), two water treatment plants (WTP), and more than 115 miles of trunk sewers and water mains, providing sewer and water service to more than 12,000 residents and businesses.

*LRWD has no WWTPs, WTPs, or sewers located in Monroe, St. Albans, Granville, or Jersey Townships. Its nearest wastewater treatment plant is located many miles away. Recently, it could not assure Jersey Township or the New Albany Company that it would be able to provide sewer service to specific properties in the SR-161 corridor in less than eight years, which is why New Albany and the City of Columbus had to step up to provide stopgap service. LRWD has also struggled for years to provide adequate sewer service to Pataskala due to a lack of capacity in its collection system.*

The Coalition has a tiny fraction of the existing debt of LRWD. The total water and wastewater debt for the Coalition is \$16.06M (Johnstown: \$9.06M; Granville: \$4.78M; Alexandria: \$2.22M).

***LRWD's water and wastewater debt is more than \$170,000,000.00, more than ten times greater than the Coalition's.***

The Coalition has the active support of Johnstown Monroe School District, Granville Exempted School District and Denison University. The principal reasons for their support are: (1) the Coalition has committed to the schools that it will manage growth to ensure that over-development, particularly large-scale multi-family housing, does not overwhelm the schools' ability to house and teach school age children; and (2) the Coalition's financial strength, limited debt, and thoughtful planning will allow it to finance its WWTPs and WTPs without tax increment financing (TIFs), state grants, or excessive user fees.

*The schools have raised concerns regarding LRWD's plans, as those plans encourage spot development, large scale multi-family housing; and a financing scheme dependent on school TIFs and many tens of millions of dollars in state grants.*

In the spirit of acting like a regional partner, the Coalition formally offered to provide sewer service to LRWD at cost so that LRWD could, quickly and less inexpensively, provide service to northern Jersey Township if LRWD would ensure that development there was managed so that the Johnstown Monroe School District was not overwhelmed. (A complete summary of the Coalition's attempts to negotiate an amicable resolution of the dispute can be found in **Exhibit 1**.)

*LRWD has yet to provide a written reply to the Coalition's offer.*

The average residential monthly sewer fee (using Ohio EPA's 4,000 gallons/month guideline) charged by the Coalition is **\$35.80** (Johnstown: \$35.35 for 2246 accounts; Granville: \$33.16 for 1714 accounts; Alexandria: \$62.00 for 212 accounts).

*The average monthly sewer fee charged by LRWD is \$61.51.*

## **Engineering**

The Coalition's Plan to serve western Licking County takes inspiration from FRAMEWORK, a document developed by western Licking County local governments and thousands of local residents and businesses to guide growth and development consistent with a joint vision of the future (see **Exhibit 2**). It calls for incremental expansions of existing WWTPs if and as existing and probable development requires centralized sewers, and prioritizes an inside-out approach to facilities planning to preserve the assets of the region that the residents value most highly, particularly the local schools. (The Coalition's Plan was submitted to Ohio EPA on May 1, 2025, and can be accessed at: <https://www.muclc.org/>).

*LRWD's Plan calls for the immediate construction of a Two Hundred Million Dollar (\$200,000,000.00) wastewater treatment plant plus sewers, discharging into a pristine very low flow creek overlying a highly sensitive groundwater aquifer—the water from which will be a mainstay for future growth in western Licking County—to encourage high-intensity development areas, corridors and new subdivisions to quickly maximize the number of new customers.*

One of the initial new areas requiring service is the area east of Mink Street on SR-161 in northern Jersey Township, approximately 3.3 miles from Johnstown's facility. To serve it, Johnstown would only have to install approximately 12,000 feet of sewer, a project that could be completed as quickly as 24 months.

*LRWD's nearest active facility (at Gale Road in Hebron) is 9.4 miles away and would require a minimum of 35,500 feet of force main to connect to the centralized system; or build the \$200M Moots Run WWTP with 25,300 feet of force main, 3 pump stations and 19,700 feet of gravity main.*

As noted above, the Coalition's plan, which is based on land use maps specific to each community at the parcel-level, is founded on expanding existing facilities to serve growth as it happens, primarily using gravity trunk sewers (instead of pump stations and force mains), and to build a new facility only if and when it is needed. More specifically, over the next five years (2025-2030), the Coalition projects that the Johnstown WWTP will be expanded from 1.2 to 2.4 MGD (a permit for which has already been issued by Ohio EPA), the Alexandria WWTP will be expanded to 160,000 gpd, and the Granville WWTP will be expanded from 0.91 to 2.5 MGD.

Over the succeeding five years (2030-2035), the Johnstown WWTP is projected to need to expand to 4.8 MGD, and a portion of the flow from St. Albans Twp diverted to the Granville WWTP. Based on current growth projections, a ~5 MGD WWTP will need to be constructed—the most probable location is adjacent to Raccoon Creek below Alexandria or proximate to Granville—approximately twenty years from now (2040-2045) to handle the additional growth projected to occur in western Licking County. Of course, these are projections and the Coalition's plan remains flexible and would only move forward with these expansions/additions when necessary.

*LRWD wants to build a \$200M 3 MGD (expandable to 10 MGD) facility on Moots Run, although it admits the facility will have very few customers initially. Because the proposed location is approximately at elevation 1025, conveying wastewater to it will require an extensive network of pump stations and force mains.*

## **Finances/Resources**

The Coalition's current utility debt is \$16.06M (Johnstown – \$9.06M; Alexandria – \$2.22M; Granville – \$4.78M).

*LRWD's known current utility debt is more than One Hundred Seventy Million Dollars (\$170,000,000.00). In addition, LRWD projects that it will add approximately Two Hundred Eighty-Five Million Dollars (\$285,000,000.00 of additional debt in the next five years, bringing its utility debt to nearly half a billion dollars. If this \$445,000,000.00 of debt were financed through OWDA (over 20 years using the current (as of the date of this writing) 3.01% interest rate, the annual debt payment would be \$29,777,280. Allocating this debt to LRWD's 7,000 existing customers would add \$354 per month to each of their utility bills. Of course, it is not realistic to assume that LRWD's customer base will not increase. But absent an extraordinarily rapid and gargantuan increase in the number of users, LRWD will need to charge what new users do move into the area (and its existing customer) very large tap fees and user rates. Such excessive utility bills will discourage development.*

The Coalition plans to, and can, finance the infrastructure that will be needed without state grants (although, of course, it would be pleased to receive them if the state has sufficient funds) and without using TIFs to pay for any new or expanded WWTP or WTP. Thus, the property tax revenue needed to pay for schools, other infrastructure needs (streets, parks, lighting, etc.), and community services will be available for those goods and services without having to ask the community to vote for new levies to fund them.

*According to its own financial master plan (see Raftelis report, **Exhibit 3**), LRWD intends to pay for virtually all infrastructure improvements using school TIFs and hoping for substantial state grants. This puts the community, LRWD customers, and potentially the State of Ohio, at great risk. First, if most (much less all, as LRWD proposes) of the TIF revenues are used to pay for LRWD's infrastructure, there will not be adequate funds to pay for the other infrastructure that new development requires such as streets, sidewalks, lighting, parks, as well as essential city services like police and fire and EMS services. If, as admitted by LRWD, it intends to use school TIFs, the community will have to choose between raising their own taxes or allowing the local schools to deteriorate. The fact that new school levies in Ohio failed at a rate of 75-80% in 2024 strongly suggests that school quality will be an early victim of LRWD's financing scheme.*

*Second, raising revenue via TIFs is not a risk-free endeavor. If the area does not develop quickly and densely, property values will not increase sufficiently to cover the debt. This is not merely a hypothetical risk. The Intel facility, the engine that precipitated the spurt of interest in western Licking County, has already been postponed twice, and is not scheduled to be operational until 2030 at the earliest. Microsoft recently announced that it is "pausing" its proposed one billion dollar facility in Licking County. Nationwide, there is serious talk that the country may experience a recession.*

*If substantial TIF revenue is unavailable, either because the townships refuse to agree to a TIF, or because development slows down or stops, LRWD will have to quintuple its existing customers' rates to cover the \$354/month/customer debt payment plus the operating costs. This will be unaffordable for many of them and they will stop paying or move away. And then, who will pay?*

*Obviously, the debt payment is only affordable if it is allocated among many times more customers than LRWD currently has, and only if those customers are added quickly. Thus, whether financed by TIFs or user fee revenue, LRWD's heavily front-loaded plan and financial model is dependent on massive new development occurring quickly.*

### **Ensuring the Quality of the Schools**

High quality schools are the lifeblood of a successful community. Strong schools attract and retain businesses, skilled workers, and investment, contributing to a thriving local economy. They create a sense of pride and livability within a community, leading to increased demand and higher property values. Families are more likely to stay in, and businesses are more likely to locate in, an area with good schools.

Western Licking County residents appreciate the truth of these precepts. As stated in the Licking County FRAMEWORK report, the community rated the quality of the schools as the highest priority of what is most important to Licking County (**Exhibit 2**, p. 41). Looking forward, FRAMEWORK noted that “it is abundantly clear that schools are fundamental to realizing the full potential of the extraordinary private and public investment in Licking County” (*id.* at p.102). But FRAMEWORK added this cautionary note: “There is a misconception that growth will take care of the cost of expanding [school] buildings.”

For all these reasons, the schools have endorsed the Coalition's position and number one priority: that the provision of water and sewer service must not allow residential development to outstrip the schools' ability to continue to provide a quality education to a growing population of school-age children. No less important, the Coalition's plan to fund expanded and (eventually) new water and wastewater treatment facilities is not dependent on TIFs, which robs the community of the money necessary to pay for other critical infrastructure (e.g., streets, lighting, parks, storm sewer) and service (police, fire, EMS) needs.

*In contrast, LRWD has admitted that the way it intends to pay for its utility infrastructure is by TIFs, directing all the augmented property tax revenue (that results from increased property values) to itself. Worse, it has stated that these will be **school** TIFs, which will not only divert essential tax dollars away from the items mentioned above, but also from the schools. This financing model would require higher property taxes, which communities are, unsurprisingly, reluctant to approve—in 2024, more than three-fourths of Ohio school levies seeking additional funding failed—or an inevitable and significant decline in the schools and other essential city*

*services. No less troublesome is that TIFs only generate significant tax dollars if substantial areas are densely developed.*

These striking differences between the development and financing paradigms between the Coalition and LRWD are why the Johnstown-Monroe School District, the Granville Exempted School District, and Denison University have all come out strongly in favor of the Coalition (see **Exhibit 4**).

## **SECTION TWO: Response to LRWD Claims**

### **Introduction**

As FRAMEWORK report observed, well-planned and affordable wastewater service is essential. Inadequate or dilatory service may result in missed economic opportunities in areas where growth is wanted but lacks sufficient wastewater infrastructure. Conversely though, improper wastewater service planning too often leads to a rapid, hodgepodge of ill-thought-out development, resulting in long-term (or permanent) negative impacts to schools, transportation, emergency services, development opportunities, and the quality of community life.

Recognizing the impact wastewater planning can have, disagreeing vigorously with LRWD's rampant development vision for western Licking County, and having observed the shortcomings LRWD has demonstrated in providing timely, adequate, and affordable service to Pataskala and other portions of its service area, Johnstown, Granville, and Alexandria formed a water and sewer partnership, the Municipal Utility Coalition of Licking County. The Coalition has requested that it (or, more precisely, its member municipalities) be designated to provide sewer service to the western portion of Licking County under a revised 208 Plan.

As noted in LRWD's letter, "true regionalization requires coordination between multiple jurisdictions," which is exactly why these three communities—which have the only water and wastewater infrastructure located in Monroe, St. Albans, and Granville Townships—formed their partnership and why they have collectively prepared a regional Facility Plan describing how and why they are the best choice to be the wastewater provider in western Licking County. As noted by FRAMEWORK, residents have expressed legitimate concerns regarding the effects of undisciplined development on schools, transportation and other services, and the preservation of their "community." These legitimate concerns are best addressed by holistic, comprehensive planning that includes not only wastewater infrastructure needs, but also land use, housing, and the myriad other community needs that must be timely and affordably addressed as part of responsible development. As described below, LRWD has demonstrated little interest and less ability to address any need other than adding as many new customers as quickly as it can to dig itself out of the mountain of debt it has already incurred, and the even larger debt burden it plans to take on.

In its February 24, 2025, letter to Ohio EPA, LRWD argued that the Coalition should not be permitted to provide wastewater services in the area; that LRWD is the only feasible choice. The first section of this letter addressed the most important issues that should drive this decision and demonstrated that along each of those dimensions, the Coalition would be a superior partner. The comments below deal with the remainder of LRWD's claims (countering facts emphasized).

***The Coalition members never agreed to LRWD being the sole wastewater provider for the District under the Licking County 208 Plan.***

When the original 208 Plan for Licking County was approved (in 2006), it assigned the Licking County Board of Commissioners as the designated management agency (DMA) for Monroe, St. Albans, Jersey, and Granville Townships. Under the current 208 Plan, LRWD serves as the designated management agency for Licking County Sewer District No. 9 ("SD9"), which encompasses Jersey, St. Albans, and Monroe townships. This was the result of 2015 revisions to the 208 Plan, which allowed for the expansion of LRWD's service area upon modification of the agreement between the Licking County Commissioners and LRWD. It was not until 2022, with the announcement of Intel, that LRWD persuaded the Licking County Commissioners to designate LRWD as the exclusive provider of water and sewer services in SD9. Prior to this time, LRWD's authority to provide wastewater services in SD9 was limited to a narrow strip of SR-161 corridor in Jersey and St. Albans Townships that LRWD persuaded the Commissioners (in 2015) needed immediate service for an onslaught of development.

The fact that this area has not experienced any appreciable development in the past decade speaks volumes regarding the uncertainties attendant to predicting the speed and scope of development, and the risks associated with staking a community's future on such predictions. By the same token, the 5-year (to date) delay in Intel opening a facility, and the announcement by Microsoft that it is pausing its proposed development in Licking County, is additional evidence of the need for planning instead of speculation.

In its letter, LRWD asserts that the revision to the 208 plan was the result of discussion among local stakeholders, including Johnstown, Granville, and Alexandria, who agreed that LRWD was in the best position to provide wastewater services in the area. This assertion is false. Johnstown, Granville, and Alexandria did not support expanding LRWD's service area to include the totality of SD9. Indeed, even the Licking County Commissioners realized (unfortunately, after the fact) that assigning the entire District to LRWD was an "overreach," a result of LRWD's enthusiasm to get its oar in the water first (see **Attachment 5**).



***LRWD's plans do not align with the community's goals for thoughtful, managed, and environmentally sound growth.***

### **LRWD's Master Plan**

Although LRWD claims that it shares the community's concerns associated with rapid development and land use, it completely failed to take these concerns into account during its planning efforts.

Prior to the issuance of LRWD's master plan, fifteen local political subdivisions (four cities, three villages, seven townships, and the Licking County Board of Commissioners), numerous other stakeholders, and thousands of residents, began the process of developing their own master planning document, known as FRAMEWORK. Finalized in September 2023, FRAMEWORK serves as a strategic, consensus-based, multi-jurisdictional policy document that provides guidance and suggestions about the ways in which individual units of local government could cooperatively guide future growth and development in the area consistent with the community's preferred vision of the future. FRAMEWORK provides a strategic approach to managing change in their communities, serving as an action plan and guidance document for land use management and the provision of utilities in the area. Included in the FRAMEWORK report are these pertinent findings:

- Public utilities will either support or alter the development patterns reflected in the FRAMEWORK. As a result, the future planning of the area is uncertain unless public utilities reinforce a concentrated development pattern, especially consistent with local land use plans (**Exhibit 2**, p. 84).
- Coordinating development approvals and infrastructure (such as wastewater infrastructure) will reduce public expenses and help to ensure a cost-effective development pattern in the County (*id.* at 86).
- The provision of public utilities is a major driver of urbanization of Licking County and while communities can benefit from growth, it should occur in the locations, densities, and character consistent with local plans, and policy documents (*id.* at p. 99).
- There is a need to coordinate various utility providers, findings that extending utilities throughout the area is counter to FRAMEWORK (*id.*).
- There is a need for countywide, coordination for utility services. Conflicting utility extensions running counter to local planning and zoning regulations would be wasteful use of public dollars. When designing sewer trunks and water mains, future land use plans must be incorporated into the engineering analysis (*id.* at p. 100).

LRWD's concept of "build it and they will come" is antithetical to regional planning and does not safeguard limited public resources. This misalignment between LRWD's objectives and that of the communities they propose to serve is clear even within LRWD's letter. LRWD states

that its expansion as the sole wastewater service provider in the District provides for “large-scale economic development in western Licking County.” Not only is this statement blatantly false—the area that LRWD proposes to serve is a fraction of the area that the Coalition could serve—but the communities have clearly expressed that they do not want large scale economic development. Instead, citizens want managed, sensible growth that does not overwhelm the schools, or any other infrastructure needs and maintains the character of their existing communities.

Additionally, LRWD emphasizes how wastewater infrastructure is essential to prevent bottlenecks in housing development. However, LRWD’s statement assumes that unbridled housing development is desirable, but that is true only for large landowners seeking to “cash out,” irresponsible developers, and wastewater providers deeply in debt. If the schools are to remain healthy and the communities’ interests are to be served, wastewater services must be coordinated with intelligent land use plans, school funding, road construction, and other essential community needs. Building large wastewater treatment plants and installing wastewater lines willy-nilly throughout the townships to facilitate housing development is an invitation to destroy the community, and one doesn’t have to look far to see where that has happened in central Ohio.

This is not merely the Coalition’s perspective. In December, 2024, FRAMEWORK issued a supplemental report, “*Reflections on a Year of Implementation*,” which provides its analysis of LRWD’s shortcomings.

“[Because] the County Commissioners gave Licking Regional Water District [LRWD] the authority to provide wastewater treatment for 8,000 acres in western Licking County without any underlying direction for prioritizing where and how development should take place, growth in communities will occur in a haphazard manner. This and the fact that a key township is significantly over-planned . . . will promote a “leapfrog” development pattern. Recent and anticipated rezonings are likely to ensure this will be the case.

\* \* \* \* \*

“This overplanning and other aspects of some of the plans used by LRWD calls into question LRWD’s Utility Master Plan, as it does for any entity that assumes the likelihood of those local plans being realized. Unreliable inputs produce unreliable outputs” (see FRAMEWORK, *Reflections*, **Exhibit 6**, pp. 26, 32).

### **LRWD’s Land Acquisition**

LRWD notes that it purchased nearly 100 acres adjacent to SR-161 in St. Albans Township for future wastewater (the Raccoon Creek WWTP) and water treatment facilities. However, what LRWD fails to mention is that neither the local townships nor the municipalities were aware of this purchase until after it had occurred. Purchasing land for development without informing, much less engaging, with the communities LRWD proposes to serve is clearly

inconsistent with its promise to provide a “clear, coordinated approach to utility service” in the area.

LRWD also states that its land purchase was selected in consultation with Ohio EPA to minimize environmental impacts. Well, perhaps, but LRWD’s letter does not attach any communication authored by Ohio EPA to this effect. What is in writing is the lengthy letter OEPA sent to LRWD itemizing the myriad defects it found in LRWD’s application to construct a wastewater treatment plant at the site (see **Exhibit 7**).

### **Raccoon Creek Wastewater Treatment Center (WWTC)**

LRWD claims that its proposed Raccoon Creek WWTC is the only viable long-term wastewater solution for the region. This is wrong on many levels. First, the Raccoon Creek facility is not a technically or environmentally “viable” solution. As the Coalition pointed out (see **Exhibit 8**) and OEPA agreed (see section “b” above), the application is riddled with defects. Second, the WWTC is not financially viable. Unless it receives massive amounts of grant money from Ohio EPA—which is simply not available—, and LRWD persuades the townships and schools to enter into TIFs diverting virtually all new property taxes to LRWD, and massive amounts of development occur very quickly, LRWD cannot remotely afford to pay for it.

LRWD’s claim that there is no other feasible wastewater treatment options is equally erroneous. As requested by Ohio EPA, the Coalition prepared its own long-term wastewater facility plan, which was submitted to the Agency on May 1, 2025, and can be accessed at the Coalition’s website. For a fraction of the Two Hundred Million Dollar cost of building the Raccoon Creek WWTC (and the sewers needed to serve northern Jersey Township), the Coalition will expand the Johnstown and Granville WWTPs if, when, and as it is necessary to serve responsible development in western Licking County.

### **Water Reuse**

LRWD claims that the Raccoon Creek WWTC is being designed with future water reuse infrastructure in mind. However, one will search in vain through the permit application, LRWD’s master plan, or its facility plan for any hint that water reuse is part of its plan. Indeed, the application acknowledges that, due to the nature of the soils in the area and the fact the proposed facility overlies one of the most productive aquifers in the region, using plant effluent for crop irrigation is not feasible.

LRWD further claims that it is positioned to support industrial reuse water. This vague statement is meaningless. Obviously, reusing water has the potential to conserve that resource. Equally obvious, virtually any wastewater treatment plant can potentially be a source of water that might be able to be reused. But exactly what industries has LRWD evaluated that are interested in locating in the area and can reuse treated wastewater? What type of treatment will be required to comply with yet-to-be-promulgated Ohio EPA requirements and what are the costs of keeping reuse “in mind.” Given the lack of specifics and the absence of any discussion of

water reuse in any document prior to its letter, LRWD's proclamation that it plans to lead the charge lacks credibility.

***The Coalition has legal authority, operational capacity, and financial ability to provide both short and long-term service to the area.***

LRWD attacks the Coalition, claiming its members lack legal authority, operational capacity, and financial ability to provide long term service outside their municipal boundaries. However, as documented in section one of this letter and further demonstrated below, these assertions are simply not true. In fact, it is LRWD that does not have the capacity and financial wherewithal to provide utility services in the area.

***The Coalition has legal authority to provide wastewater (and water) services.***

One need look no further than the City of Columbus, which provides water and wastewater services to at least twenty municipalities, counties, townships, and private companies outside its borders to recognize that LRWD's allegation that the members of the Coalition have no legal authority to provide service outside their municipal boundaries is absurd.

The sole case LRWD cites in support of its position is *Board of Commissioners of Delaware County v. City of Columbus*, 26 Ohio St.3d 179, 497 N.E.2d 1112 (1986). There, the Court determined who had superior rights —the City of Columbus or Delaware County (operating as the Delaware County Sewer District)—to provide water service to City-owned property outside the City's boundaries. The Court applied a fact-specific balancing test, and concluded that, in that instance, the County's police power authority to operate a sewer district must yield to the City's Article XVIII constitutional power. Thus, not only does the court's decision not support LRWD's position, it undermines it.

Ohio's constitution specifically grants municipalities the authority to operate a utility for its residents and to sell surplus of a utility product/service to customers outside of its municipal boundaries. Article XVIII, Section 6 of the Ohio Constitution states:

*"Any municipality, owning or operating a public utility for the purpose of supplying the service or product thereof to the municipality or its inhabitants, may also sell and deliver to others any transportation service of such utility and the surplus product of any other utility in an amount not exceeding in either case fifty per cent of the total service or product supplied by such utility within the municipality, provided that such fifty per cent limitation shall not apply to the sale of water or sewage service."*

The Ohio Supreme Court has ratified this constitutional authority in numerous cases. For example, in 2006, the Court held that the City of Perrysburg had the constitutional right to sell its water and sewer services to residents located outside the City's borders, stating that a "municipality may sell and dispose of its surplus products in such quantities and in such manner as the council thereof determines to be in the best interest of the municipality and its

inhabitants.” *Bakies v. Perrysburg*, 108 St.3d 361, 365 (2006)). Most recently, in *Cleveland Electric Illuminating Co. v. City of Cleveland et al.*, 167 Ohio St.3d 153 (2021), the Supreme Court ratified the City of Cleveland’s authority to sell surplus electricity to individuals outside the City limits.

***Unlike LRWD, the Coalition has the ability to serve both the immediate and long-term needs for the area.***

As demonstrated in its Facility Plan, the Coalition has the wherewithal to provide wastewater service to Monroe, St. Albans, and Granville township, and the northern portion of Jersey Township now and into the foreseeable future, more quickly and at a lesser cost than LRWD. The Coalition has three wastewater treatment plants and many miles of sewer lines already providing (gravity) service in the proposed area. The closest WWTP owned by LRWD is more than 6 miles from SR-161, even further from St. Albans Township, and is located upgradient, meaning that service would have to be by way of force main and pump stations.

Jersey Township and the New Albany Company (NACO) are hoping to locate a mixed-use development along SR-161 in Jersey Township quickly. However, for LRWD to provide service to the area, it would either need to install more than six miles of force main to connect the area to its Wagram Road plant or build the Raccoon Creek plant and associated sewer lines. This daunting task would require \$200M and nearly a decade to complete. Recognizing these limitations, Jersey Township, NACO, and others requested that the City of Columbus step in to provide wastewater service on a temporary (eight year) basis, hoping that LRWD can eventually provide service to the area.

In the 5-year horizon, the projected demand can be served by doubling the capacity of Johnstown WWTP—which has already received its permit—and the Alexandria plant; whereas LRWD would need to build/install \$200M of new infrastructure to do the same, and its application for a permit was rebuffed by Ohio EPA.

The ability of the Coalition to provide better and more cost-effective service is equally apparent over the intermediate and long term. The 20-year projection shows that the Coalition will be able to provide service to 36,257 acres (versus LRWD’s 14,700 acres) and will have total capacity of 12.5 MGD versus LRWD’s 10 MGD Raccoon Creek plant . . . assuming OEPA authorizes the facility. Although not required by Ohio EPA, the Coalition’s Facility Plan examined projected growth and wastewater demand beyond twenty years to confirm that it would have the capability to serve the region over the (very) long term.

***The Coalition has more sustainable financial capabilities than LRWD***

LRWD’s wildly inaccurate claims that it is a larger, regional, less costly wastewater provider than the Coalition was thoroughly debunked in Section One of this letter.

***The Village of Granville's WWTP operates compliantly***

LRWD's implicit suggestion that the Village of Granville has a subpar permit compliance history and this should disqualify it from serving as a Designated Management Agency is nonsense. First, the fact is that Granville's record is exemplary. In the past five years, it has had two one-day exceedances of its permit limits in the fall of 2023 and two data recording errors in 2022. None resulted in enforcement action. LRWD has had three quarters of non-compliance and two enforcement actions taken against it.

**Additional Considerations**

While LRWD has touted itself as the engine that can ensure rapid growth in western Licking County, some cautionary notes are in order. LRWD could restrain desired growth and development in an area by failing to have adequate plant or sewer capacity—as has happened/is happening with the City of Pataskala—or refusing to provide service to its perceived enemies. Such threats have indeed been made by representatives of LRWD.

Finally, allowing LRWD to provide wastewater services in the vicinity of the municipalities virtually ensures that the municipalities will be unable to grow. Vital, growing, municipalities are the single most powerful engine for sustainable economic growth. Municipalities need the bargaining chip of water and sewer service to offer to commercial, industrial and residential developers to encourage them to annex.

For the reasons discussed above, the Coalition is the clear choice to manage the provision of sewer service in western Licking County.

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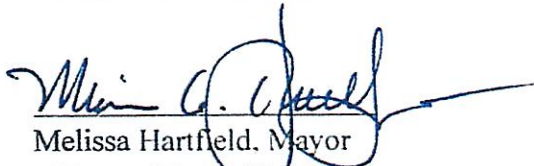
On behalf of the Coalition,



Donald Barnard, Mayor  
City of Johnstown, Ohio



Sean Barnes, Mayor  
Village of Alexandria, Ohio



Melissa Hartfield, Mayor  
Village of Granville, Ohio

cc: Governor Mike DeWine  
Lt. Governor Jim Tressel  
Christine Morrison, Chief of Staff, Governor DeWine  
Lydia Mihalik, Director, ODOD  
Scott Ryan, Chief of Community Engagement, ODOD  
Meghan Wadsworth, Asst. Policy Director, ODOD  
Mark Johnson, Chief of Division of Surface Water, OEPA  
Bill Fishbein, OEPA  
J.P. Nauseef, JobsOhio President and CEO

#### **Exhibit List**

- 1 – Summary of Coalition – LRWD Negotiations
- 2 – FRAMEWORK
- 3 – Pertinent pages of Raftelis report
- 4 – Letters of Support
- 5 – Newark Advocate Article
- 6 – FRAMEWORK Reflections
- 7 – Ohio EPA October 16, 2024 Letter
- 8 – Coalition Comments to OEPA on LRWD Moots Run NPDES Permit Application