October 5, 2026

Council President Lyle Simpson
Village of Alexandria
4 West Main Street
Alexandria, Ohio 43001

Sent via email

Re: Water and Wastewater Service Proposals

Dear Council President Simpson,

Thank you for meeting with representatives of the Licking Regional Water District ("LRWD") to discuss the Village of Alexandria's current and long-term water and wastewater needs. LRWD appreciates the opportunity to renew a conversation that has taken place between the Village and the District over many years and to provide updated alternatives for Alexandria's consideration.

LRWD's principal mission is the planning, construction, operation, and maintenance of public water and wastewater systems. The District currently operates and maintains more than 200 miles of public water lines and more than 185 miles of public sanitary sewer lines, together with two wastewater treatment facilities and one water treatment plant. The District's staff includes certified water operators, wastewater operators, and personnel experienced in treatment, distribution, collection, maintenance, regulatory compliance, utility locating, emergency response, engineering, capital planning, and the construction and operation of public utility infrastructure. LRWD is also in the process of designing or constructing additional regional infrastructure, including the Raccoon Creek Wastewater Treatment Center, which will become the District's third wastewater treatment facility, and a future water treatment facility serving the State Route 161 Corridor.

Our utility experience is particularly relevant to Alexandria. Unlike an arrangement limited to providing a certified operator or performing selected maintenance functions, LRWD has ten licensed wastewater operators, eight certified water operators, equipment, infrastructure, and institutional capacity to support the Village's existing systems today while also providing a path toward long-term integration into a larger regional water and wastewater system. LRWD's regional scale and utility-specific focus also allow the District to spread the costs of operation, maintenance, administration, and capital investment across a substantially larger utility system and customer base. That scale is reflected in LRWD's current rate structure. At the usage levels evaluated by the District, an Alexandria customer receiving both water and sanitary sewer service would pay less under LRWD's current Inside-the-District rates than under Alexandria's current water and sewer rates. For example, at 3,500 gallons of monthly usage, the combined LRWD water and sewer bill would be approximately $88.40, compared with approximately $106.54 under Alexandria's current rates.

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2026 Rate Comparison				
	Gallons Per Month	Service	LRWD Current Rates	Alexandria Current Rates
LRWD Minimum Bill	2,000	Water	$ 22.29	$ 26.88
		Sewer	$ 38.84	$ 52.00
		Total	**$ 61.13**	**$ 78.88**
~Average LRWD Residential	3,500	Water	$ 32.15	$ 47.04
		Sewer	$ 56.26	$ 59.50
		Total	**$ 88.40**	**$ 106.54**
	4,000	Water	$ 35.43	$ 53.76
		Sewer	$ 62.06	$ 62.00
		Total	**$ 97.49**	**$ 115.76**
	6,000	Water	$ 48.57	$ 80.64
		Sewer	$ 85.28	$ 72.00
		Total	**$ 133.85**	**$ 152.64**

PROPOSED TERM SHEET #1

Parties: Licking Regional Water District ("LRWD" or "District")
Village of Alexandria ("Alexandria" or "Village")

Date: October 5, 2026

1. Overview

This Term Sheet summarizes the principal terms of LRWD's proposal to provide wastewater treatment, water-distribution operational support, maintenance, and related utility services to the Village of Alexandria as an alternative to the additional water and wastewater services proposed to be provided by the Village of Granville.

Alexandria currently purchases potable water from Granville pursuant to an existing water service agreement extending through December 31, 2028. LRWD is not presently able to replace that water supply. Accordingly, this proposal would allow Alexandria to continue purchasing water from Granville under its existing agreement while transitioning other water and wastewater operational responsibilities to LRWD.

LRWD and Alexandria would also begin planning for the potential transition of Alexandria's potable water supply to LRWD beginning in 2029.

2. Wastewater Treatment Operations

Alexandria will retain ownership of its existing wastewater collection system and wastewater treatment facility. LRWD will provide operational, regulatory, maintenance, and related services for the Alexandria Wastewater Treatment Plant.

- OPERATOR OF RECORD. LRWD will serve as operator of record for the Alexandria Wastewater Treatment Plant and will provide appropriately certified personnel necessary to operate the facility in accordance with applicable Ohio EPA requirements and the facility's NPDES permit.

- OPERATIONAL SERVICES. LRWD will perform the technical operation of the wastewater treatment facility, including process adjustments, routine and preventative operational oversight, maintenance of required operating records, sampling and testing oversight, and other ordinary duties associated with operation of the facility.

- REGULATORY REPORTING. LRWD will prepare and submit required wastewater operational reports and will coordinate regulatory communications associated with LRWD's operation of the facility.

- NPDES PERMIT. LRWD will be responsible for coordinating and preparing the renewal of the Alexandria Wastewater Treatment Plant's NPDES permit and for satisfying operator-related requirements associated with the permit.

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maintenance. Alexandria will reimburse LRWD for extraordinary materials, equipment, outside contractors, and labor as provided in the definitive agreement.

5. Alexandria Responsibilities

Alexandria will retain ownership of its existing public water distribution system, wastewater collection system, and wastewater treatment facility. Except for those responsibilities expressly assumed by LRWD under the definitive agreement, Alexandria will remain responsible for the following:

- OPERATIONAL SUPPLIES AND COSTS. Alexandria will provide and pay for treatment chemicals, operational supplies, spare parts, bench stock, utilities, laboratory services, and other ordinary costs associated with ownership and operation of the Village's water and wastewater systems.

- CAPITAL REPAIRS AND IMPROVEMENTS. Alexandria will remain financially responsible for major repairs, replacement of equipment, rehabilitation, capital improvements, and other capital expenditures associated with Village-owned water and wastewater infrastructure.

- SYSTEM DEFICIENCIES. Alexandria will provide the funding necessary to correct deficiencies, repair or replace failed or damaged equipment, and undertake other corrective actions identified by LRWD or required by Ohio EPA or another regulatory agency.

- CUSTOMER SERVICE AND BILLING. Alexandria will remain responsible for retail water and wastewater billing and collection and for customer-service functions not expressly included within LRWD's scope of services.

- VILLAGE REGULATIONS AND ORDINANCES. Alexandria will remain responsible for administering and enforcing applicable Village water and wastewater use regulations, ordinances, and related requirements.

6. Term and Compensation

LRWD proposes to provide the services identified in this Term Sheet for an initial three-year term at a fixed monthly charge intended to provide Alexandria with predictable operating costs.

- TERM. The initial term of the definitive agreement will be three (3) years.

- MONTHLY SERVICE CHARGE. Alexandria will pay LRWD $2,300 per month for the wastewater treatment operations, water distribution system operations, routine maintenance, regulatory services, utility locates, and other services expressly included within the definitive agreement.

- EXCLUDED COSTS. The monthly service charge will not include extraordinary repairs, replacement equipment, major capital improvements, treatment chemicals, utilities, or other ownership costs allocated to Alexandria under the definitive agreement.

7. Mutual Cooperation

- NPDES APPEAL PROCEEDINGS. As a material condition of LRWD entering into the contemplated agreement, Alexandria will take all actions necessary to withdraw from and

PROPOSED TERM SHEET #2

Parties: Licking Regional Water District ("LRWD" or "District")
Village of Alexandria ("Alexandria" or "Village")

Date: October 5, 2026

1. Overview

This Term Sheet summarizes the principal terms of LRWD's proposal for a comprehensive water and wastewater partnership with the Village of Alexandria.

Under this proposal, LRWD will assume long-term responsibility for Alexandria's public water and wastewater systems, including ownership, operation, maintenance, capital planning, and regulatory compliance. Alexandria's residents and businesses will ultimately receive water and sanitary sewer service directly from LRWD as part of the District's regional utility system.

During the transition, Alexandria will continue to receive potable water from the Village of Granville pursuant to its existing water service agreement. LRWD and Alexandria will plan for the transition to LRWD potable water service beginning in 2029. LRWD will operate Alexandria's existing wastewater treatment facility until regional wastewater service is available through the Raccoon Creek Wastewater Treatment Center.

2. Transfer of Utility Infrastructure

Alexandria will transfer to LRWD the public water and wastewater infrastructure necessary for LRWD to provide long-term utility service to the Village.

- UTILITY ASSETS. LRWD will assume ownership of Alexandria's public water distribution system, wastewater collection system, wastewater treatment facility, and related utility infrastructure identified in the definitive agreement.

- PROPERTY INTERESTS. Alexandria will convey or assign to LRWD those real property interests, easements, access rights, permits, records, plans, equipment, and other rights reasonably necessary for LRWD to own, operate, maintain, repair, replace, and improve the transferred infrastructure.

3. Existing Utility Debt

LRWD will assume responsibility for the outstanding debt associated with Alexandria's existing public water and wastewater infrastructure.

- DEBT ASSUMPTION. LRWD will assume the debt service associated with eligible outstanding Village water and wastewater obligations.

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6. LRWD Potable Water Service

LRWD and Alexandria will plan and construct the infrastructure necessary to transition Alexandria from its existing Granville wholesale water supply to LRWD's regional water system.

- SERVICE AVAILABILITY. Subject to final engineering, permitting, construction, and system conditions, LRWD anticipates that potable water service to Alexandria could become available beginning in 2029.

- REGIONAL CONNECTION. LRWD will determine the appropriate point(s) of connection and the public infrastructure necessary to integrate Alexandria into LRWD's regional water system.

- CAPACITY AND FIRE FLOW. The regional connection line sizes will be planned based upon anticipated existing and future customer demands, including appropriate consideration of system capacity, storage, reliability, and fire-flow requirements.

- TRANSITION FROM GRANVILLE. LRWD and Alexandria will coordinate the transition so that LRWD water service may commence following expiration or other lawful termination of Alexandria's existing Granville water-supply arrangement.

7. LRWD Wastewater Service

LRWD will transition Alexandria from its existing wastewater treatment facility to LRWD's regional wastewater system when service through the Raccoon Creek Wastewater Treatment Center becomes available.

- RACCOON CREEK WASTEWATER TREATMENT CENTER. Alexandria's wastewater flows will be treated at the Raccoon Creek Wastewater Treatment Center following completion of the necessary regional facilities and connection infrastructure. LRWD will plan and construct or otherwise provide the public infrastructure necessary to convey Alexandria's wastewater flows to the regional system.

- DECOMMISSIONING. Following transition to regional wastewater treatment, LRWD will decommission the existing Alexandria Wastewater Treatment Plant in accordance with applicable regulatory requirements. LRWD will be responsible for the agreed costs associated with decommissioning the existing wastewater treatment facility.

8. Customer Transition and Rates

Upon transition to direct LRWD service, Alexandria's existing water and wastewater customers will become customers of LRWD.

- LRWD CUSTOMER ACCOUNTS. LRWD will establish or transition customer accounts necessary to provide direct retail water and wastewater service. To the extent new or replacement meters are necessary to transition existing customers to LRWD's metering and billing systems, LRWD will provide and install such meters at no cost to Alexandria or its existing customers.

- RATES. Existing Alexandria residents and businesses will be charged LRWD's applicable Inside-the-District water and wastewater rates then in effect.

11. Economic Development Coordination

To help support future economic development in Alexandria, LRWD will work cooperatively with the Village to support orderly economic development through coordinated utility planning and economic-development incentives.

- ECONOMIC DEVELOPMENT INCENTIVES. Potential mechanisms may include Joint Economic Development Districts ("JEDDs"), New Community Authorities ("NCAs"), tax increment financing districts ("TIFs"), Community Reinvestment Areas ("CRAs"), and other lawful economic-development tools.

- ECONOMIC DEVELOPMENT CONSULTANT. The Parties may utilize an economic-development consultant to assist with the analysis, structuring, implementation, and administration of appropriate incentives.

- DEVELOPMENT-FUNDED INFRASTRUCTURE. Infrastructure required to serve future development may be financed through economic-development incentives, developer contributions, tap and capacity fees, or other appropriate non-ratepayer sources.

12. Village Planning, Zoning, and Land Use

Alexandria will retain its authority over Village land-use and zoning decisions.

- VILLAGE LAND-USE AUTHORITY. LRWD's role will be limited to utility planning and service and will not determine the location, type, or character of development within Alexandria.

- COORDINATED PLANNING. LRWD will coordinate with Alexandria regarding infrastructure planning so that utility investments can support development areas identified by the Village.

13. Mutual Cooperation

- NPDES APPEAL PROCEEDINGS. As a material condition of LRWD entering into the contemplated agreement, Alexandria will take all actions necessary to withdraw from and terminate its participation in pending administrative and judicial proceedings challenging, appealing, or otherwise contesting permits or regulatory approvals associated with LRWD's Pet Run Wastewater Treatment Plant and Raccoon Creek Wastewater Treatment Center. Alexandria will timely execute and file all notices, stipulations, motions, or other documents reasonably necessary to terminate its participation as a party in those proceedings.

- MUNICIPAL UTILITY COALITION. Alexandria will withdraw from and terminate its membership in and participation with the Municipal Utility Coalition ("MUC") and will cease financial support of, representation through, or participation in MUC activities.

- CONTINUED COOPERATION. LRWD and Alexandria will cooperate in good faith regarding the provision of water and wastewater services, regulatory matters affecting the Parties' utility systems, and the planning and development of infrastructure necessary to support future service to Alexandria.