

ANNEXATION REFORM BILL

The 123rd General Assembly wrapped up its two-year session last December. As you know, any Bill introduced in the 123rd General Assembly but not enacted by December 31st is rejected. The most notable Bill left languishing was SB 289 – the Annexation Reform Bill. The Senate-passed annexation bill would have given townships more authority in the process. Although the House Local Government and Townships Committee approved it by a vote of 14-1, House Speaker Jo Ann Davidson decided it would not receive consideration by the full House unless additional pro-municipality amendments were added. **Sponsors have re-introduced a version of this Bill (now SB 5), which has passed the full Senate. I have been asked to provide proponent testimony at House committee hearings in late March or early April.**

LEGAL CASE UPDATE

In a Court of Appeals case from Lake County, the Court ruled that a County may charge a tap-in fee when a water service connection to the distribution system is made via a previously installed service line on private property, not via the county's service line. In the case, one building was originally erected on a parcel, and an appropriate tap fee was paid. Subsequently, the property owner erected another building on the parcel and, without contacting the county, accessed water for the new building by extending the service lines from the first building to the newly built structure. Although the property owner paid for increased water usage through the existing metered line on the property, they questioned whether they could be forced to pay the tap fee for the second building. The Court reasoned that O.R.C. §6103.02(A), requiring a reasonable charge when connecting to "distributing pipes", was not violated because the landowner was still tapping into the public water supply, albeit indirectly. The Court also ruled that the property owner would be required to bear the costs of an "invasive" County inspection of the water lines laid from the original buildings to the new structures. Because the owner did not follow the County's procedure for adding service, including open trench inspections, the owner is solely responsible for the invasive nature of the later inspection and must bear the expense. (U.S.A. Mgt. & Dev. v. County Dept. of Util. (1999) 134 Ohio App.3d 432)

**"TOWNSHIP AGREEMENTS" EMPHASIZED CEDA's
AT OTA WINTER CONFERENCE**

John Albers again presented his "Township Agreements" session at the Ohio Township Association's Winter Conference in Columbus. Approximately 100 people attended the session, which included discussions about the various contracts into which Townships may enter, with a special emphasis on **CEDA Agreements**.

CEDA Agreements
Sometimes the Best Option?

An interesting development in the law is the new authority granted townships to enter into Cooperative Economic Development Agreements, or CEDA's, with neighboring municipalities.

Essentially, a CEDA Agreement permits a township and a municipality to enter into an agreement whereby the township agrees not to contest the annexation of certain territory (the CEDA Agreement Area), and in return, the municipality agrees not to "conform its boundaries" after the annexation is completed. In such event, the property stays in the township for property tax purposes.

Additionally, the township and municipality can agree to pay the township in "service fees", a portion of the income taxes derived from activities within the CEDA area, or other revenue streams and applicable millages. The parties may even agree to share responsibility for such things as zoning and subdivision requirements.

Counties may be parties to these agreements, which may address the extension of water and sewer services to the CEDA area, and perhaps other areas within the township.

In essence, CEDA Agreements can accomplish the same things as a Joint Economic Development District (JEDD) agreement without the difficulties and complications associated with JEDDs.

I have been involved with several CEDA agreements, and they are proving to be a very versatile tool for resolving annexation disputes and encouraging economic development in appropriate areas.

Let me know if you have any questions regarding these matters. I would be glad to review the CEDA law with you.

JOHN TO SPEAK AT OHIO RURAL WATER CONFERENCE
"Conflicts Over Service Territory Between Service Providers"

John Albers will be a featured speaker at the Ohio Rural Water Association's Annual Conference at the Hilton, Easton in Columbus, Ohio. John will focus on common conflicts among water & sewer service providers competing for the same territory. John will speak from 3:30-5:00 p.m. on **Wednesday, April 11, 2001**. We hope to see you there.

Alberslaw.com UP AND RUNNING

Although all the bells and whistles have not been added, **Alberslaw.com**, the Albers & Albers web-site, is now available for viewing. We don't have a lot of information posted yet, but more will be added in the future. Hopefully, local governments in need of our services will find it convenient. For existing clients, the site will eventually be of more service to you as well. Also, please note that our e-mail addresses have changed. The address on the reverse of this newsletter is no longer valid. I can be reached at **John.Albers@alberslaw.com**. Eric can be reached at **Eric.Luckage@alberslaw.com**. We would love to hear from you.

JEFFERSON DISTRICT EXPANSION IS IMPRESSIVE;

The Jefferson Water & Sewer District has been quite active with expansion projects in the last several months. A new elevated storage tank and other line extension projects are under way. With all that concentrated work, the District has done a wonderful job of completing its financing packages and pressing forward with construction. One of the keys to the District's success has been Superintendent Richard (Dick) Fridley.

BURR OAK TRANSFER MARKED WITH CEREMONY

The Burr Oak Regional Water District (BORWD) has now assumed control of the former State owned and operated Burr Oak Water System. The District marked the occasion with a ceremony attended by various area political leaders. The Board has done a superb job making the transition, and they are now working on plans to expand their treatment facilities and improve service to their customers. Congratulations on a job well done!

XENIA TOWNSHIP ACHIEVES CEDA AGREEMENT WITH CITY OF XENIA

Congratulations to Xenia Township, who recently entered into a CEDA agreement with their neighbor, the City of Xenia. Although the agreement is rather comprehensive, in the end, the cooperative spirit of both parties expedited the process. The agreement offers advantages for both, and is a great example of a CEDA serving as the "Best Option."