ORDINANCE NO. 2010 - 106

AN ORDINANCE AUTHORIZING THE REFUNDING OF A LEASE, THE LEASE-PURCHASE REFINANCING OF A CITY ADMINISTRATION BUILDING, INCLUDING A GROUND LEASE AGREEMENT AND A LEASE AGREEMENT, AND MATTERS RELATED THERETO AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Mason, Warren County, Ohio (the "City"), has determined to advance refund its outstanding Lease Agreement between PS&W Holding Company, Inc., and the City dated August 1, 2001, (the "Prior Lease") originally issued to pay the cost of constructing a city administration building to be located on Mason-Montgomery Road (the "Project"); and

WHEREAS, in order to provide refinancing for the acquisition and construction of such facilities and pursuant to Ohio Revised Code Section 715.01.1 and the City Charter it is determined to be necessary and appropriate to undertake a lease-purchase financing program as described herein; and

WHEREAS, the estimated cost of refinancing such facilities is $19,570,000 and the amount to be refinanced, including the cost of municipal bond insurance, if any, debt service reserve fund, and other costs of issuance, shall not exceed $19,570,000;

NOW, THEREFORE, be it ordained by the City Council of the City of Mason, Warren County, Ohio:

SECTION 1. It is hereby determined to be necessary and in the best interest of the inhabitants and citizens of the City, and the City hereby agrees, to advance refund its outstanding Prior lease originally entered into to finance the cost of acquiring and constructing, the Project, in accordance with the plan of lease financing described in this Ordinance. The Project was acquired and constructed on a parcel of land presently owned by the City (referred to as the "Site") located on Mason-Montgomery Road in the City, all as more particularly described on Exhibit A to the Ground Lease Agreement referred to herein.

SECTION 2. The City shall lease the Site, together with such related portions of the Site as may be required to comply with the requirements of RBC Capital Markets Corporation, Cincinnati, Ohio, and the municipal bond insurer, if any, to such entity as the City Manager of the City shall designate (the "Ground Lessor") pursuant to a Ground Lease Agreement (the "Ground Lease") to be dated as determined by the City Manager, in substantially the form presently on file with this Council, which is hereby approved. The City Manager of the City, is hereby authorized to execute and deliver the Ground Lease on behalf of the City with such changes not substantially adverse to the City as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the City shall be conclusively evidenced by the execution of the Ground Lease by such official. The initial term of the Ground Lease shall be until December 31, 2010, provided that the Ground Lessor or its assignee shall have the right to renew for a total of not more than sixteen (16) additional one-year renewal terms beginning on January 1, 2011 and continuing on January 1 of each year thereafter through and including the last renewal term which shall not be later than January 1, 2026 to the earlier of December 31, 2026 or the termination date of the last permitted renewal term of the Lease (as defined below), as determined by the Finance Director. The Ground Lease shall provide for the payment, in advance for all permitted renewal terms, of rent in the amount of the actual proceeds of the Certificates of Participation.

SECTION 3. The City shall sublease the Site and related grounds and facilities, if any, back from the Ground Lessor pursuant to a Lease Agreement (the "Lease") dated of even date with the Ground Lease, in substantially the form presently on file with this Council, which is hereby approved. The City Manager, is hereby authorized to execute and deliver the Lease on behalf of the City with such changes not substantially adverse to the City as the official executing the same may approve; the approval of such changes and that the same are

not substantially adverse to the City shall be conclusively evidenced by the execution of the Lease by such official. The Lease provide, among other things, for the payment of Base Rent from the City to the Ground Lessor or its assignee. Base Rent shall be payable in periodic installments over the term of the Lease, in such amounts and at such times as shall be determined by the City Manager, provided that the actual Base Rent payments shall not exceed in any year the amounts that would be required if the applicable interest rate were seven and one-half percent (7-½%) per annum applied on a principal amount of not to exceed $19,570,000. The initial term of the Lease shall be until December 31, 2010, provided that the City shall have the right to renew for a total of not more than sixteen (16) additional one-year renewal terms as determined by the City Manager, beginning on January 1, 2011 and continuing on January 1 of each year thereafter through and including the last renewal term which shall not be later than January 1, 2026 to December 31, 2026. The Lease shall provide for termination in the event the City fails to appropriate funds adequate to pay rent due with respect to any renewal term.

SECTION 4. The City hereby consents to and approves the assignment of the Ground Lease and the Lease from the Ground Lessor to a bank to be selected by the Finance Director without further action of this Council, which bank shall be set forth in the Certificate of Award, as Trustee, and the execution of a Trust Indenture (the "Indenture") relating to the collection and distribution of rental payments and the issuance of Certificates of Participation (City of Mason Municipal Building Refunding Project) (the "Certificates") evidencing proportionate interests in the Base Rent to be paid by the City under the Lease. The form of the Indenture and of the Certificates in substantially the forms presently on file with this Council, and the issuance of the Certificates, are hereby approved. The City Manager, is hereby authorized to execute and deliver the Indenture on behalf of the City with such changes not substantially adverse to the City as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the City shall be conclusively evidenced by the execution of the Indenture by such official. The City hereby authorizes and directs that the Certificates shall be sold to RBC Capital Markets Corporation, Cincinnati, Ohio, at a price not less than the par value thereof, and resold at a price or prices approved by the City Manager. The City Manager is authorized and directed to arrange for the purchase of municipal bond insurance in connection with issuance of the Certificates, if in the City Manager's judgment, such insurance would result in a cost savings to the City. The determinations of the final terms of sale of the Certificates, and the resulting Lease terms, including the interest rate, financed amount, term, and amortization schedule, together with the terms of municipal bond insurance, if any, and any other matters required by this Ordinance to be determined or approved by the City Manager, shall be set forth by the City Manager in the Certificate of Award.

SECTION 5. The City agrees to execute and perform the Ground Lease and the Lease in accordance with the terms thereof. The City agrees to comply with the terms and conditions of the Indenture insofar as they relate to the City, and further agrees to comply with the terms and conditions of such additional documents and agreements relating thereto as shall be deemed, by the Mayor, the Finance Director or the City Manager, or any of them, in their discretion, necessary or appropriate in connection with the financing herein described.

SECTION 6. The Mayor, Vice Mayor, the Finance Director, the Clerk, and the City Manager, or any of them are hereby authorized and directed to execute and deliver, on behalf of the City, such additional instruments, documents, agreements, certificates, and other papers only to the extent that it is within their authority as provided in the Charter of the City of Mason Ohio, as legal counsel deems necessary or appropriate in order to carry out the intent of this ordinance in such forms as the official executing the same may approve.

SECTION 7. Nothing in the Ground Lease, the Lease, the Indenture, the Certificates, or any agreements or documents relating thereto shall constitute or be construed or deemed to constitute a debt or bonded indebtedness or a general obligation of this Council, the City or any agency of the City. Neither the taxing power nor the full faith and credit of this Council or the City are pledged or shall be pledged for the payment or security of the Ground Lease, the Lease, the Indenture, the Certificates, or any other related agreement or document.

SECTION 8. The City hereby covenants that it will restrict the use of the proceeds of the Lease and the Certificates hereby authorized in such manner and to such extent, if any, as may be necessary after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations prescribed thereunder and will, to the extent possible, comply with all other applicable provisions of the Code and the regulations thereunder to retain the Federal income tax exemption for interest on the Lease and the Certificates, including any expenditure requirements, investment limitations, rebate requirements or use restrictions. The City Manager or any other officer having responsibility with respect to the issuance of the Certificates is authorized and directed to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 148 and the Regulations.

The Lease has been not designated as a "qualified tax-exempt obligation" for the purposes set forth in Section 265(b)(3) of the Code.

SECTION 9. There is hereby appropriated from the net proceeds of the Certificates, to the extent the same are available for the payment of costs of the Project, a sum not to exceed $2,076,172, to be used for the payment of such costs, as outlined herein, and funding a reserve fund for the Lease and the Certificates. There is further appropriated, from unappropriated funds currently on deposit in the General Fund of the City, the sum of $0 to pay the cost of lease payments due or coming due under the Lease for the initial term ending December 31, 2010.

SECTION 10. The Mayor, the Finance Director and the City Manager, or any of them, are each hereby separately authorized, alone or with others, to prepare and distribute to prospective purchasers of the Certificates and other interested parties, a preliminary official statement or offering circular with respect to the Certificates on behalf of the City, which shall be in substantially the form presently on file with the Council, which is hereby approved, with such changes not substantially adverse to the City as such official may approve, and which shall be deemed final for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1) except for certain information excluded therefrom in accordance with such Rule. Such officials, or any of them, are hereby authorized to prepare, execute and deliver a final official statement or offering circular with respect to the Certificates on behalf of the City, which shall be in such form and with such changes from the preliminary official statement or offering circular as the official executing the same may approve, and which shall be deemed to be final for purposes of Securities and Exchange Commission Rule 15c2-12(b)(3). Execution or delivery thereof on behalf of the City by such official shall be conclusive evidence of such authorization and approval and that any such changes are not substantially adverse to the City, and copies thereof are hereby authorized to be prepared and furnished to the purchaser of the Certificates for distribution to prospective purchasers of the Certificates and other interested persons.

The City hereby covenants and agrees that it will execute, comply with and carry out all of the provisions of a continuing disclosure certificate dated the date of issuance and delivery of the Certificates (the "Continuing Disclosure Certificate") in connection with the issuance of the Certificates. Failure to comply with any such provisions of the Continuing Disclosure Certificate shall not constitute a default on the Certificates; however, any holder of the Certificates may take such action as may be necessary and appropriate, including seeking specific performance, to cause the City to comply with its obligations under this paragraph and the Continuing Disclosure Certificate.

SECTION 11. In connection with the advance refunding of the outstanding Prior Obligations and to serve the rights of the holders of the Obligation that are refunded hereby, the City Manager on behalf of the City, is hereby authorized and directed to execute and deliver an Escrow Deposit Agreement with the Escrow Trustee, which Escrow Deposit Agreement shall contain such items as may be agreed upon by the City and the Escrow Trustee and as shall be approved by Bond Counsel.

SECTION 12. Peck, Shaffer & Williams LLP is hereby authorized to subscribe for United States Treasury obligations on behalf of the City to fund any required escrow accounts.

SECTION 13. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

SECTION 14. That this ordinance is hereby declared to be an emergency measure for the reason that the public peace, health, safety and welfare of the inhabitants of the City of Mason require the immediate undertaking of a lease-purchase refinancing program to provide funds for the refinancing of an administration building in the City including obtaining a favorable interest rate to lower the annual cost to the City, and this ordinance shall take effect immediately upon its adoption.

PASSED: September 13th, 2010.

Donald K. Prince
Mayor

Attest:

Teresa Schutte
Clerk of Council

CERTIFICATE

The undersigned, Clerk of Council of the City of Mason, Warren County, Ohio, hereby certifies that the foregoing is a true and correct copy of Ordinance No. 2010-106 passed by the Council of the City of Mason, Ohio, on September 13, 2010.

Teresa Schutte
Clerk of Council

CERTIFICATE

The undersigned, Finance Director of the City of Mason, County of Warren, Ohio, hereby certifies that a copy of the foregoing Ordinance No. 2010-106 passed by the Council of the City of Mason, County of Warren, Ohio, on September 13 2010, was certified this day to the County Auditor of the County of Warren, Ohio.

Finance Director

RECEIPT

The undersigned, County Auditor of the County of Warren, Ohio, hereby acknowledges receipt this day of the foregoing Ordinance No. 106 passed by the Council of the City of Mason, County of Warren, Ohio, on Sept 13, 2010.

Nick Nelson
County Auditor

By: Debbi Young
Deputy

Sept. 17, 2010

EXTRACT FROM MINUTES OF MEETING

The Council of the City of Mason, County of Warren, Ohio, met in regular session, at 7:00 p.m., on the 13th day of September 2010, at 6000 Mason-Montgomery Road, with the following members present: Michael Gilb, Christine Shimrock, Rich Cox, Tony Bradburn, Char Pelfrey, and Don Prince.

There was presented and read to Council Ordinance No. 2010-106 entitled:

AN ORDINANCE AUTHORIZING THE REFINANCING OF A LEASE, THE LEASE-PURCHASE REFINANCING OF A CITY ADMINISTRATION BUILDING, INCLUDING A GROUND LEASE AGREEMENT AND A LEASE AGREEMENT, AND MATTERS RELATED THERETO.

Mr. Bradburn moved to suspend the rule requiring each ordinance or resolution to be read on three different days. Mr. Cox seconded the motion and, the roll being called upon the question, the vote resulted as follows: All Yeas

Mr. Gilb then moved that Ordinance No. 2010-106 be adopted. Mr. Cox seconded the motion and, the roll being called upon the question, the vote resulted as follows: All Yeas

The ordinance was declared passed September 13, 2010.

CERTIFICATE

The undersigned, clerk of council of said municipality, hereby certifies that the foregoing is a true and correct extract from the minutes of a meeting of the council of said municipality, held on the 13th day of September, 2010, to the extent pertinent to consideration and adoption of the above-entitled legislation.

Clerk of Council

bayer becker engineers
engineers
planners
architects
surveyors

EXHIBIT A

PROJECT SITE

6900 Tylersville Road, Suite A
Mason, OH 45040
P.513.336.6600
f.513.336.9365
mason@bayerbecker.com

July 25, 2001

DESCRIPTION:

17.472 Acres
Parcel 3

LOCATION:

Mason Community Center
City of Mason
Warren County, Ohio

Situated in Section 30, Town 4, Range 2, City of Mason, Warren County, Ohio and being part of a 33.544 acre tract owned by City of Mason as recorded in Official Record 1610, Page 224, of the Warren County Recorder's office containing 17.472 acres of land being further described as follows:

Begin at a found P.K. nail at the southwesterly corner of Section 30, said corner also being on the centerline of Mason Montgomery Road and on the easterly line of Section 35; thence, with the westerly line of said Section 30 and with said centerline of Mason-Montgomery Road, North 03°41'59" East, 20.00 feet to the true point of beginning;

thence	from the point of beginning, with said section line and said centerline, the following two courses: North 03°41'59" East, 109.66 feet, to a found P.K. nail at the northeasterly corner of said Section 35, said corner also being the southwesterly corner of Section 36;
thence	with said Section 30, North 04°00'00" East, 873.57 feet, to a found P.K. nail, said nail also being the southwesterly corner of Betty Westerkamm as recorded in Official Record 1855, Page 209, of the Warren County Recorder's office;
thence	departing said section line and said centerline, with said Westerkamm, South 88°18'45" East, passing a set 1/2" iron pin at 30.00 feet for a total distance of 934.42 feet, to a set 1/2" iron pin;
thence	departing said Westerkamm, with the new division line the following seven courses: South 04°03'17" East, 270.35 feet;
thence	on a curve to the right, having a radius of 292.68 feet, an arc length of 212.48 feet, (Chord=South 24°51'04" West, 207.84 feet);
thence	South 45°38'56" West, 343.77 feet;
thence	South 38°15'06" West, 35.26 feet;
thence	South 36°39'58" West, 270.35 feet;
thence	South 40°44'15" West, 43.80 feet;
thence	North 86°59'55" West, 438.50 feet to the point of beginning, containing 17.472 acres of land, subject to all easements and rights of way of record.

bayer becker engineers
engineers
planners
architects
surveyors

6900 Tylersville Road, Suite F
Mason, OH 45040
P.513.336.6600
f.513.336.9365
mason@bayerbecker.com

The above description is the result of a survey prepared by Jeffrey O. Lambert, with Bayer Becker Engineers, Ohio Registered Surveyor No. 7568, dated May 15, 2001, the survey plat of which is filed in Vol. ___ Plat No. _____ of the Warren County Engineers Record of Land Division.

C:\01\01w048\Legal\01w048p3.DOC

VOLUME PLAT NO.
WARREN COUNTY ENGINEERS
RECORD OF LAND SURVEYS

LINE TABLE

NUMBER	DIRECTION	DISTANCE
L-1	S 87°22'46" E	243.22'
L-2	S 01°49'14" W	16.00'
L-3	N 87°22'46" W	243.84'
L-4	N 04°02'26" E	16.00'
L-5	N 03°41'59" E	20.00'
L-6	N 40°44'15" E	43.80'
L-7	N 38°15'06" E	35.26'
L-8	N 87°22'46" W	1.75'
L-9	N 01°49'14" E	134.85'
L-10	S 86°45'46" E	32.10'
L-11	S 87°19'00" E	57.75'
L-12	N 03°41'59" E	109.66'

CURVE TABLE

NUMBER	RADIUS	ARC LENGTH	CHORD DIRECTION	CHORD LENGTH	DELTA ANGLE
C-1	292.68	212.48	N 24°51'04" E	207.84	41°35'44"
C-2	630.00	277.19	S 80°00'58" W	274.96	25°12'33"

-001 CITY OF MASON
0.419 ACRES
OR 2052 PG 999

-002 CITY OF MASON
0.686 ACRES
OR 1949 PG 822

003 CITY OF MASON
0.745 ACRES
OR 1973 PG 394

004 CITY OF MASON
0.745 ACRES
OR 2089 PG 411

005 CITY OF MASON
0.745 ACRES
OR 2009 PG 402

-006 CITY OF MASON
1.14 ACRES
OR 1945 PG 937

-007 CITY OF MASON
0.649 ACRES
OR 2009, PG 400
(SR 14-174)

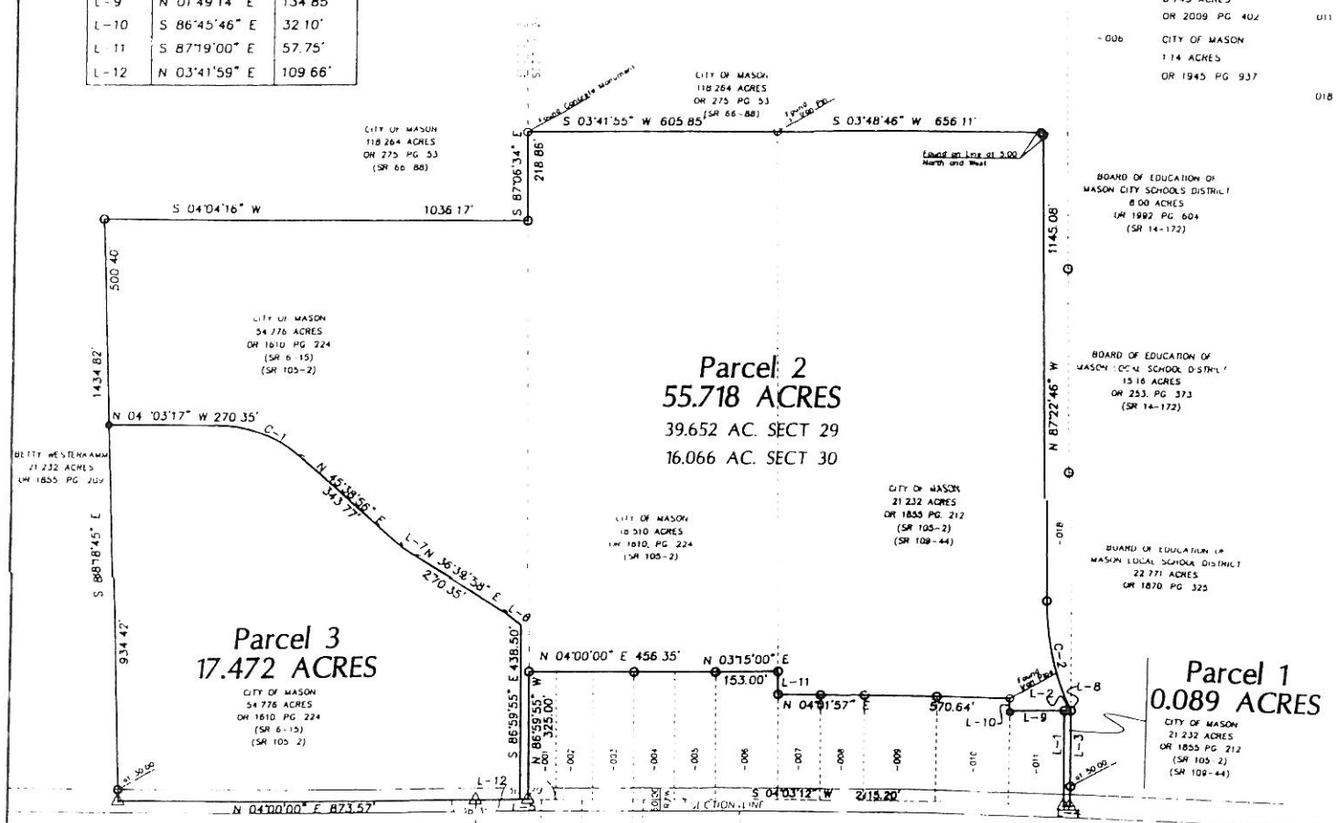
008 CITY OF MASON
0.649 ACRES
OR 2062 PG 686
(SR 14-174)

009 CITY OF MASON
1.11 ACRES
OR 1956 PG 985

-010 CITY OF MASON
1.11 ACRES
OR 2074, PG 399

011 CITY OF MASON
0.75 ACRES
OR 1896 PG 846
(SR 14-174)

018 CITY OF MASON
1.8 ACRES
OR 489 PG 287
(SR 72-11)



NOTES

1. BASIS OF BEARINGS SR 119 PG 44
2. PROPERTY LINES PER OR 1610 Pg 224 OR 1855 Pg 212
3. ALL MONUMENTS USED AS SHOWN
4. ALL MONUMENTATION IS IN GOOD CONDITION UNLESS OTHERWISE SHOWN
5. LINE OF OCCUPATION WHEREVER THEY EXIST GENERALLY AGREE WITH THE BOUNDARY LINES UNLESS OTHERWISE NOTED
6. EAST LINE OF PARCEL 3 MEANDERS THE WEST EDGE OF CURB OF A ROAD THEREFORE MONUMENTS WILL NOT BE SET PER CODE
7. DATE OF FIELD SURVEY APRIL 2000 MONUMENTATION ALONG MASON MONTGOMERY ROAD MAY BE DESTROYED DUE TO CONSTRUCTION FOR ROAD WIDENING

● FOUND MONUMENT AS NOTED
○ SET 5/8" IRON PIN WITH CAP STAMPED "BAYER BECKER" UNLESS OTHERWISE NOTED
△ POINT IS FOUND PK NAIL
○ INDICATES EXISTING MONUMENTATION AS NOTED

PRINTED
AUG 2 2001

GRAPHIC SCALE
0 200 300 400
(IN FEET)
1 inch = 200 ft.

PLAT OF SURVEY
0.089 ACRE PARCEL
55.718 ACRE PARCEL
17.472 ACRE PARCEL
CITY OF MASON
SECTION 29 & 30, TOWN 4, RANGE 2
WARREN COUNTY, OHIO

SURVEYOR CERTIFICATION

I HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF THE ACCOMPANYING PLAT IS A CORRECT RETURN OF A SURVEY MADE UNDER MY DIRECTION.

STATE OF OHIO
JEFFREY O LAMBERT
7568
REGISTERED PROFESSIONAL SURVEYOR

JEFFREY O LAMBERT
REG SURVEYOR #7568 IN THE STATE OF OHIO

OWNER

CITY OF MASON
202 WEST MAIN STREET
MASON, OHIO 45040

NO	DATE	REVISION
1	08-02-01	Address

bayer becker engineers
6900 Tylersville Rd Mason OH 45040 513-336-6600

engineers
planners
architects
surveyors

date 07-24-01
dwg by JPR
chk by
job # 01W048
sheet 1 of 1

PS&W DRAFT
09/07/2010
#161715v.2

GROUND LEASE AGREEMENT

Between

CITY OF MASON
County of Warren, Ohio,
Lessor

And

PS&W HOLDING COMPANY, INC.,
Lessee

Dated as of November 1, 2010

Filed for record with the Warren County, Ohio,
Recorder on _____, 2010 at _____ o'clock ___.m.
and recorded at Official Records Volume _____Page _____
of the Warren County, Ohio Recorder.

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EXHIBIT B – Project Facilities

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (the "Ground Lease"), made and entered into as of November 1, 2010 by and between the CITY OF MASON, a city and a political subdivision of the State of Ohio, located in the County of Warren, State of Ohio with its offices located at Municipal Building, 6000 Mason-Montgomery Road, Mason, Ohio 45040, as lessor (the "Lessor" or the "City") and PS&W HOLDING COMPANY, INC., an Ohio corporation, the mailing address of which is 65 East State Street, Suite 500, Columbus, Ohio 43215, as lessee (the "Lessee");

WITNESSETH THAT:

WHEREAS, the City has determined that the land more particularly described in Exhibit A attached hereto (the "Project Site") shall be leased to the Lessee in accordance with the provisions of Section 715.01.1 of the Ohio Revised Code, the City Charter and this Ground Lease; and

WHEREAS, the Lessee desires to lease the Project Site from the City under the terms of this Ground Lease and proposes to sublease the Project Site, and to lease the Project Facilities which have been constructed thereon, back to the City under the terms of a Lease Agreement of even date herewith (the "Lease") in order to refinance the acquisition, construction, installation and improvement thereon of the municipal facilities described in Exhibit B hereto (the "Project Facilities") including the defeasance of the outstanding $24,440,000 Certificates of Participation (City of Mason Municipal Facilities Project) dated August 1, 2001 (the "Prior Obligations") which were used to fund the construction of the Project Facilities; and

WHEREAS, the Lessee proposes to refinance the acquisition and construction of the Project Facilities including refunding the Prior Obligations from the proceeds of $19,570,000 Certificates of Participation (City of Mason Municipal Building Refunding Project) (the "Certificates") to be executed and delivered by U.S. Bank, National Association, as trustee (the "Trustee"), under the terms of a Trust Indenture dated as of November 1, 2010 (the "Indenture") between the Lessee (as Grantor) and the Trustee; and

WHEREAS, the City has found and determined that the lease of the Project Site to the Lessee under the terms of this Ground Lease, and the defeasance of the Prior Obligations will result in a lower annual interest cost to the City and the lease of the Project Site and Project Facilities to the City under the terms of the Lease (collectively, the "Project") will provide necessary refinancing of facilities for the benefit of the City and be in the best interest of the City and its residents;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties to this Ground Lease agree as follows:

SECTION 1. Grant of Leasehold Estate. In consideration of the terms, covenants and conditions hereinafter set forth, the City hereby demises, rents, leases and lets to Lessee the

Project Site, and the Lessee hereby rents, leases and hires the Project Site from the City. The City covenants with the Lessee that upon the Lessee's payment of the rent and the performance and observance of its covenants and agreements under this Ground Lease, the Lessee shall and may peaceably and quietly have, hold, occupy and enjoy the Project Site without let or hindrance from the Lessor.

SECTION 2. Terms, Renewal Periods.

(a) The term of this Ground Lease will commence November 1, 2010, and will terminate on December 31, 2010, subject to renewal as provided below.

(b) The Ground Lease may be renewed by the Lessee upon the terms and conditions set forth in this SECTION 2 for the following Renewal Periods:

Ground Lease Term	Commencement Date	Termination Date
Renewal Period I	January 1, 2011	December 31, 2011
Renewal Period II	January 1, 2012	December 31, 2012
Renewal Period III	January 1, 2013	December 31, 2013
Renewal Period IV	January 1, 2014	December 31, 2014
Renewal Period V	January 1, 2015	December 31, 2015
Renewal Period VI	January 1, 2016	December 31, 2016
Renewal Period VII	January 1, 2017	December 31, 2017
Renewal Period VII	January 1, 2018	December 31, 2018
Renewal Period IX	January 1, 2019	December 31, 2019
Renewal Period X	January 1, 2020	December 31, 2020
Renewal Period XI	January 1, 2021	December 31, 2021
Renewal Period XII	January 1, 2022	December 31, 2022
Renewal Period XIII	January 1, 2023	December 31, 2023
Renewal Period XIV	January 1, 2024	December 31, 2024
Renewal Period XV	January 1, 2025	December 31, 2025
Renewal Period XVI	January 1, 2026	December 31, 2026

(c) If the right to renew is exercised by the Lessee, the Ground Lease shall be a new lease and each such new lease shall terminate on the termination date of the applicable Renewal Period unless it terminates at an earlier date as provided below in this SECTION 2.

(d) The Lessee shall be deemed to have exercised its right of renewal for each succeeding Renewal Period unless, prior to or within thirty (30) calendar days following the expiration of the then current Ground Lease Term, the Lessee notifies the City that this Ground Lease will not be renewed for the next Renewal Period. The Lessee shall not give such notice without the consent of all holders of the Certificates.

SECTION 3. Rent. The Lessee agrees to pay to the City in advance as rent for the Lessee's leasehold interest in the Project Site the amount of $19,570,000 for the term of this

Ground Lease. The City acknowledges prepayment in full by the Lessee of that rent in the amount of $19,570,000. The City agrees to use the rent ($19,570,000) to prepay the prior Lease entered into by and between the City, as Lessee, and PS&W Holdings Company, Inc., as Lessor, dated August 1, 2001.

SECTION 4. Lease and Assignment of Leasehold Estate. The City and the Lessee understand and agree that the Lessee will sublease the Project Site, and will lease the Project Facilities thereon, to the City pursuant to the terms of the Lease. The City and the Lessee further understand and agree that the Lessee will absolutely and unconditionally assign, transfer, and convey, without recourse, all of its rights, title and interest and obligations and responsibilities under this Ground Lease and the Lease to the Trustee for the benefit of the holders of the Certificates. The City consents to such assignment.

SECTION 5. Condemnation. If all or any part of the Project shall be taken by condemnation or eminent domain, the net proceeds received shall be distributed in accordance with the terms of the Indenture.

Termination of this Ground Lease as a result of such taking by eminent domain or as a result of the exercise by the Lessee of the option hereinafter granted to terminate in the event of the taking by eminent domain, shall not be construed to deprive the Lessee of its right to seek damages from the condemning authority.

SECTION 6. Temporary Taking. If the temporary use of the whole or any part of the Project shall be taken at any time during the term of this Ground Lease for any public or quasi-public purpose by any lawful power or authority, the Lessee shall give prompt notice thereof to the City and the term of this Ground Lease shall not be reduced or affected in any way. The Lessee shall be entitled to the entire award for such taking (whether paid by way of damages, rent, or otherwise) unless the period of occupation and use by the condemning authority shall extend beyond the date of expiration of this Ground Lease, in which case the award made for such taking shall be apportioned between the City and the Lessee as of the date of such expiration. In any such proceeding, the City shall have the right to intervene and participate; provided that if such intervention shall not be permitted by law, the Lessee shall at the Lessee's expense consult with the City, its attorneys and experts, and make all reasonable efforts to cooperate with the City in the prosecution or defense of such proceeding.

SECTION 7. Environmental Protection. The Lessor shall, and the Lessor shall cause all employees, agents, contractors, and subcontractors of the Lessor, to keep and maintain the Project Site, including the soil and ground water thereof, in compliance in all material respects with, and not cause or knowingly permit the Project Site, including the soil and ground water thereof, to be in material violation of any federal, state or local laws, ordinance or regulations relating to industrial hygiene or to the environmental conditions thereon (including but not limited to any Hazardous Materials Laws and Wetlands Laws as hereinafter defined). Except for de minimus uses incidental to the construction contemplated hereunder, neither the Lessor nor any employees, agents, contractors, and subcontractors of the Lessor shall (i) use, generate, manufacture, store or dispose of on, under or about the Project Site or transport to or from the

Project Site any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under any Hazardous Materials laws in material violation of applicable material laws (collectively referred to hereinafter as "Hazardous Materials"); or (ii) perform, cause to be performed or permit any fill activities or other acts which would in any way destroy, eliminate, alter, obstruct, interfere with, or otherwise affect any Wetlands, as defined in 33 C.F.R. § 328.3 and in any comparable state and/or local law, statute, ordinance, rule or regulation ("Wetlands"), in material violation of any material federal, state or local laws, statutes, ordinances, rules or regulations pertaining to such Wetlands ("Wetlands Laws").

The Lessor shall immediately advise the Trustee in writing of (i) any notices (whether such notices are received from the Environmental Protection Agency, or any other federal, state or local governmental agency or regional office thereof) of violation or potential material violation which are received by the Lessor of any applicable federal, state or local laws, ordinances, or regulations relating to any Hazardous Materials including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, the Resource Conservation and Recovery Act, the Clean Water Act, the Solid Waste Disposal Act, as amended, the Clean Air Act, the Emergency Planning and Community Right to Know Act, and the Occupational Safety and Health Act (collectively, "Hazardous Materials Laws"); (ii) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened pursuant to any Hazardous Materials Laws; and (iii) all claims made or threatened by any third party against the Lessor or the Project Site relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (i), (ii) and (iii) above are hereinafter referred to as "Hazardous Materials or Wetlands Claims").

Upon the Trustee's request (in the event that the Trustee reasonably believes that any portion of the Project Site may be in material violation of any Hazardous Materials Law or Wetlands Law), the Lessor shall retain, at the Lessor's sole cost and expense, a licensed geologist, industrial hygienist or an environmental consultant (referred to hereinafter as the "Consultant") reasonably acceptable to the Trustee to conduct a baseline investigation of the Project Site for the presence of Hazardous Materials or Wetlands ("Environmental Audit"). The Environmental Audit shall be performed in a manner reasonably calculated to discover the presence of Hazardous Materials contamination or Wetlands; provided, however, such investigation shall be of a scope and intensity no greater than baseline investigation conducted in accordance with the general standards of persons providing such services taking into consideration the known uses of the Project Site and property in the vicinity of the Project Site and any factors unique to the Project Site. The Consultant shall concurrently deliver the results of its investigation in writing directly to the Lessor and the Trustee. Such results shall be kept confidential by both the Lessor and the Trustee unless legally compelled or required to disclose such results or disclosure is reasonable required in order to pursue rights or remedies provided herein or at law.

If the Lessor fails to pay for or obtain an Environmental Audit as provided for herein, the Trustee may, but shall not be obligated to, obtain the Environmental Audit, and either demand reimbursement from the Lessor, in which case interest shall accrue on such sum at the Interest Rate for Advances, as defined in the Indenture, from the date funds are advanced for such purpose by the Trustee.

The Lessor covenants to reasonably cooperate with the Consultant and to allow entry and reasonable access to all portions of the Project Site for the purpose of Consultant's investigation. The Lessor covenants to comply, at its sole cost and expense, with all reasonable recommendations contained in the Environmental Audit or requirements of governmental authorities required to bring the Project Site into material compliance with all Hazardous Materials Laws or Wetlands Laws, including any recommendation for reasonable additional testing and studies to detect the quantity and types of Hazardous Waste Materials or Wetlands present, if the Trustee requires the implementation of the same.

The Lessor's representations, warranties and obligations under this SECTION 7 shall not be terminated, released, discharged, extinguished or otherwise affected by any foreclosure of any indebtedness or obligation, any satisfaction of the indebtedness secured hereby or the release or discharge of the Project or any other action or thing. This provision may be enforced at any time by the Trustee.

SECTION 8. Attornment by Lessee. Upon prior written consent of the Trustee, the City may assign its interests under this Ground Lease or sell or convey the Project Site; upon giving such consent and receiving notice of such conveyance, the Lessee agrees to recognize the new owner as the Lessor hereunder and will continue to be bound by the terms and conditions of this Ground Lease. The Trustee shall consent to such conveyance if the Trustee has received an opinion of nationally recognized bond counsel acceptable to the Trustee to the effect that such conveyance will not adversely affect the exemption from federal income taxation of the interest payments made with respect to the Lease or the Certificates.

SECTION 9. Termination. The City shall have the right to terminate this Ground Lease prior to the expiration of the lease term set forth in SECTION 2 upon exercise by the City of its option to purchase the Project Facilities in accordance with the provisions of the Lease. So long as the City has not exercised that purchase option, the City shall have no right to terminate this Ground Lease for any reason except for a taking by condemnation or eminent domain of all the Project or a portion of the Project material to the continued operation of the Project Facilities.

SECTION 10. Surrender of Project Site. The Lessee agrees that, upon the expiration or termination of this Ground Lease, it will surrender to the City the Project Site, together with the Project Facilities and other improvements located thereon, free and clear of any liens or encumbrances other than (a) conditions, reservations, exceptions, rights of way and easements of record on the date of execution and delivery of this Ground Lease, and (b) liens or encumbrances imposed as a result of an act or failure by the City or with the consent of the City.

SECTION 11. No Merger. It being the desire and the intention of the parties hereto that this Ground Lease and the Lease and the interests of the parties in this Ground Lease and the Lease do not merge in fee simple, it is hereby understood and agreed that, unless a contrary intent is manifested by said parties as evidenced by an appropriate document duly recorded, notwithstanding the Lease: (1) the leasehold interest herein granted to the Lessee by the City shall be independent of the Lease; (2) the Lease shall not constitute an assignment or surrender of the leasehold interest herein granted to the Lessee; (3) the Lease shall not operate as a merger of extinguishment of the leasehold interest herein granted to the Lessee; (4) this Ground Lease and the Lease shall not constitute "wash-out" or "mutual" leases; (5) should the Lease terminate by its express terms, i.e., by default of the City as lessee, or otherwise, this Ground Lease, and the interest herein granted by the City to the Lessee, shall remain in full force and effect until terminated by the express terms hereof; and (6) all right, title and interest of the Lessee in the Lease and all rentals payable by the City, as lessee, to the Lessee, as lessor, pursuant to the Lease shall be assigned to the Trustee for the benefit and security of Holders (as defined in the Indenture) of the Certificates and the Trustee and the Holders of the Certificates shall be deemed to be third party beneficiaries of the Lease as of the time and execution and/or effectiveness thereof as between the Lessee, as lessor, and the City, as lessee.

SECTION 12. Easement for Access and Parking. The Lessee hereby grants the City an easement on, over and across the Project Site for purposes of ingress to, egress from, and parking for, the City's facilities so long as this Ground Lease shall remain in effect. This easement shall be for the benefit of, and useable by, the City and its officers, employees, agents, tenants, residents, licensees and invitees, all persons claiming by or through it, and its successors and assigns. The location of such easement shall be where ingress to, egress from, and parking for, the City's facilities are located as of the date of this Ground Lease, with such changes as the City may reasonably request.

SECTION 13. Defaults and Remedies.

(a) The City and the Lessee acknowledge and agree that in the event the Lessee or the City should default in the performance of any of their respective obligations or agreements under this Ground Lease, neither the City nor the Lessee shall terminate this Ground Lease, but either may take whatever other action in law or in equity as may appear necessary or desirable to enforce performance and observance of their respective obligations and agreements under this Ground Lease.

(b) Notwithstanding anything to the contrary provided for in this Ground Lease, the rights of the City, in the event of a breach by the Lessee of its covenants and obligations under this Ground Lease, may not be exercised until written notice of such default is given to the Lessee and the Trustee at the notice addresses set forth in SECTION 14 of this Ground Lease. It is agreed that the Lessee shall have the right to cure any such default within fifteen (15) days of receipt of notice with respect to such default and that the Trustee shall have the right to cure any such default within ten (10) days thereafter with respect to any default that can be cured by payment of money or

within thirty (30) days thereafter with respect to any other covenant or condition or term of this Ground Lease; and, if such default is of such nature that it cannot be remedied within said time, the Lessee or the Trustee, as the case may be, shall have such additional time as is reasonably necessary to cure such default, provided that it commences the curing of such default within the requisite period and thereafter diligently continues the curing of the same.

(c) Notwithstanding anything to the contrary provided for in this Ground Lease, the rights of the Lessee, in the event of a breach by the City of its covenants and obligations under this Ground Lease, may not be exercised until written notice of such default is given to the City at the notice address set forth in SECTION 14 of this Ground Lease. It is agreed that the City shall have the right to cure any such default within thirty (30) days of receipt of notice with respect to such default.

SECTION 14. Notice. Any notice required by this Ground Lease to be given by either the City or the Lessee to the other, or to the Trustee as assignee of the Lessee, shall be in writing, sent by certified mail, return receipt requested, and unless otherwise specifically stated herein, shall be deemed to be given when deposited in the United States mail, postage prepaid, addressed to the respective party at their respective addresses as follows:

If to the City:
City of Mason, Ohio
6000 Mason-Montgomery Road
Mason, Ohio 45040
Attn: City Manager

If to the Lessee:
PS&W Holding Company, Inc.
65 East State Street
Suite 500
Columbus, Ohio 43215

If to the Trustee:
U.S. Bank, National Association
425 Walnut Street
6th Floor
Cincinnati, Ohio 45202
Attn: Corporate Trust Department

or at such other address as one party may give notice of to the others in writing.

SECTION 15. Headings. It is understood and agreed that the headings of the various sections of this Ground Lease have been inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or intent of this Ground Lease or any of its provisions. The singular number and gender of personal pronouns as used throughout this

Ground Lease shall be construed to mean such number and gender as the context, circumstances or its antecedent may require.

SECTION 16. Successors and Assigns. Any term, covenant or condition of this Ground Lease which inures to the benefit of or is binding upon the City shall also inure to the benefit of and be binding upon the successors and assigns of the City. Any term, covenant or condition of this Ground Lease which inures to the benefit of or is binding upon the Lessee shall also inure to the benefit of and be binding upon the successors and assigns of the Lessee, including the Trustee and any successor Trustee permitted under the terms of the Indenture.

SECTION 17. Entire Agreement. This Ground Lease and the Lease constitutes the entire agreement between the City and the Lessee in respect of the subject matter hereof and thereof and this Ground Lease supersedes all prior and contemporaneous leases and agreements, if any, between the City and the Lessee in connection with the subject matter of this Ground Lease. This Ground Lease may be modified only by a writing signed by both the City and by the Trustee (as assignee of the Lessee) in accordance with the Indenture.

SECTION 18. Waiver. No failure by either the City or the Lessee to insist upon the strict performance by the other of any covenant, agreement, term, or condition of this Ground Lease or to exercise any right or remedy contingent upon a breach thereof shall constitute a waiver of any such breach or of such covenant, agreement, term or condition of this Ground Lease and the covenant, agreement, term or condition shall continue in full force and effect with respect to any then existing or subsequent breach.

SECTION 19. Computation of Time. The time in which any act provided by this Ground Lease is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday, or legal holiday, and then it is also excluded.

SECTION 20. Counterparts. This Ground Lease has been executed by the parties in several counterparts, each of which shall be deemed to be an original copy.

SECTION 21. Recording. The City and Lessee shall cause this Ground Lease to be recorded in the Official Records of Warren County, Ohio, Recorder.

SECTION 22. Severability. If any provisions of this Ground Lease or any application thereof shall be invalid or unenforceable, the remainder of this Ground Lease and any other application of such provision shall not be affected thereby.

SECTION 23. Governing Law. This Ground Lease shall be governed by and construed in accordance with the laws of the State of Ohio.

IN WITNESS WHEREOF, the City and the Lessee have caused their duly authorized representatives to execute this Ground Lease on the dates of the respective acknowledgments of their officers as of the date first written hereinabove.

CITY OF MASON, County of Warren, Ohio, as the Lessor

By: _____
City Manager

PS&W HOLDING COMPANY, INC., as the Lessee

By: _____
President

ACKNOWLEDGMENTS

STATE OF OHIO)
) SS:
COUNTY OF WARREN)

The foregoing instrument was acknowledged before me this _____ day of November, 2010 by Eric Hanson, the City Manager, respectively, of the CITY OF MASON, County of Warren, Ohio, a city and political subdivision, on behalf of the City.

_____
Notary Public

My commission expires:_____

[NOTARY
SEAL]

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The foregoing instrument was acknowledged before me this _____ day of November, 2010 by John W. Peck, the President of PS&W HOLDING COMPANY, INC., an Ohio corporation, on behalf of the corporation.

_____
Notary Public

My commission expires:_____

[NOTARY
SEAL]

This Instrument Prepared By:
Brenda A. Wehmer, Esq.
PECK, SHAFFER & WILLIAMS LLP
201 E. Fifth Street, Suite 900
Cincinnati, Ohio 45202-4144

FISCAL CERTIFICATE

The undersigned, Finance Director of the City of Mason, Ohio, the Lessor, under the aforesaid Ground Lease, hereby certify that the Lessor has in effect for the remainder of the current fiscal year and the succeeding two fiscal years or the term of the attached Ground Lease, whichever is longer, the authorization to levy taxes, including the renewal of existing levies, which, when combined with the estimated revenue from all other sources available to the Lessor at the time of this certification, are sufficient to provide the operating revenues necessary to enable the Lessor to maintain all personnel, programs and services essential to the operation of the City.

The undersigned, fiscal officer of the Lessor under the aforesaid Ground Lease, hereby certifies that the moneys required to meet the obligations of the Lessor during the fiscal year 2010 under the aforesaid Ground Lease have been lawfully appropriated by the City Council of the Lessor acting as the legislative authority of the Lessor, for such purposes pursuant to an Ordinance adopted October __, 2010, and are in the custody of the Lessor or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances.

This Certificate is given in compliance with Sections 5705.41 and 5705.44 of the Ohio Revised Code.

_____

Finance Director

Dated: November ____, 2010

EXHIBIT A

PROJECT SITE

EXHIBIT B

PROJECT FACILITIES

The Project Facilities consist of a municipal building totaling approximately 116,000 square feet located on the Project Site.