



DIRECTIVE 2020-019

April 29, 2020

RE: JOINT USE AGREEMENT BETWEEN OHIO UNIVERSITY AND OHIO AEROSPACE INSTITUTE

Ohio University has been granted appropriations contained in House Bill 529 of 132nd General Assembly in the amount of one hundred fifty thousand dollars. Ohio University will use the funds to improve the facility owned by Ohio Aerospace Institute. As required by Ohio Administrative Code section 3333-1-03, Ohio University submitted a Joint Use Agreement for consideration and approval by the Chancellor.

The agreement conforms to Ohio Administrative Code as follows –

- The format of the agreement is appropriate
- The commitment extends no less than twenty years
- The value of use to Ohio higher education institutions is reasonably related to the amount of the appropriation

Agency staff reviewed the agreement and posted its recommendations to the Department's website for the purpose of providing a period of public comment before final approval by the Chancellor. The materials posted for comment and the joint use agreement are attached to this document.

Based on my review of staff recommendations, I hereby approve the Joint Use Agreement between Ohio University and Ohio Aerospace Institute.

This directive will take effect immediately.

Randy Gardner
Chancellor

mlc

JOINT USE AGREEMENT

This Joint Use Agreement (“Agreement”) is entered into by and between Ohio University (“University”), an instrumentality of the State of Ohio, created under Chapter 3345 of the Ohio Revised Code, whose address is Cutler Hall, Athens, OH 45701, and Ohio Aerospace Institute (“OAI”), a 501(c)3 non-profit organization that enhances the aerospace competitiveness of its corporate, federal agency, non-profit and university members through research and technology development, workforce preparedness and engagement with networks for innovation, whose address is 22800 Cedar Point Road, Brook Park, Ohio 44142.

WHEREAS, the 132nd General Assembly pursuant to Section 207.10 of HB 529 has appropriated funds in appropriation item C23564 in the amount of \$150,000 (the “Funds”) for the use of University towards the renovation of classroom space at OAI (the “Project”);

WHEREAS, the funding will be used by OAI to replace the non-functioning 30 year old Fire Enunciation System that is in violation of current building and safety codes;

WHEREAS, Ohio Administrative Code §3333-1-03(E) requires a public institution to submit to the Chancellor of the Ohio Department of Higher Education a joint use agreement that contains the requirements in (E)(1)-(11) for review and approval; and

WHEREAS, University has demonstrated that the value of the use of the facility or equipment is reasonably related to the amount of appropriation through the worksheet included in this Agreement as Attachment A.

NOW, THEREFORE, in consideration of the mutual benefits hereunder, it is hereby agreed to between the parties as follows:

1. **Facility or equipment owned, to be built or purchased by nonprofit or public body.** OAI, owns the facility at 22800 Cedar Point Road, Brookpark, OH 44142 and plans to use the funding to replace the 30 year old obsolete, non-functioning Fire Enunciation System to bring it up to current building and safety codes. The facility contains the classroom space that University will use as set forth in Section 2.
2. **Use of the facility or equipment by public institution.** As referenced in Attachment A hereby incorporated herein, OAI agrees to provide a minimum of 4 3-day rentals per year to the classroom space for students, faculty and staff of University for academic use for a period of twenty years from the date of occupancy of the space. University’s use includes all support and technological services it requires including, but not limited to set up and take down, wireless microphones, IT staffing, projector use, podiums, and voice point. The annual value to University must meet or exceed the debt service amount as set forth in Attachment A.



Joint Use Agreement

The Ohio Department of Higher Education

3. **Reimbursement of funds.** OAI shall provide for reimbursement to the State should the University's right to use the facility be terminated by the nonprofit organization or public body prior to the expiration of the twenty-year term, which reimbursement shall be calculated by dividing the funds contributed by the State of Ohio by twenty and multiplying that sum by twenty less the number of full years the facility is utilized by the institution.
4. **Use of funds.** Funds will be used in accordance with the HB 529 to replace the Fire Enunciation System in the building so as to bring it up to current code. The cost of this project and the tie in to the building systems requires that it is a capital improvement and not an operating cost.
5. **Insurance for facility and hold harmless** Insurance will be maintained for the entire period of time that University has the right to access the facility. OAI shall hold the State of Ohio and University, its officers, trustees, and employees harmless from any and all obligations, expenses, liabilities or claims of any kind and/or University, its officers, trustees or employees being named as a defendant or party to any lawsuit or adjudicatory proceedings, if such lawsuit or adjudicatory proceeding arising out of (1) the construction, renovation, operation, or maintenance costs of the Project, (2) and alleged action or omission of OAI, its board, or employees, including, but not limited to OAI's failure or alleged failure to comply with any applicable federal, state or local law, ordinance, rule, order, directive or regulation.
6. **Compliance with federal, state and local law.** Ohio Aerospace Institute complies with all pertinent federal, state and local laws and state administrative regulations.
7. **Competitive bidding and Prevailing Wage.** OIA will follow the competitive bidding procedures which include, as a minimum, publishing advertisements to seek bids, receiving sealed bids, and awarding contracts to the lowest responsive and responsible bidders as outlined generally in ORC Chapter 153. This project is subject to O. R. C. Chapter 4115, as well as Chapter 4101:9-4 of the Ohio Administrative Code, relating but not limited to the payment of prevailing wage. OIA acknowledges that it must submit documentation to prove compliance with this section before University will release the Funds.
8. **Appropriation administrative fee.** From the Funds, University will receive administrative costs of \$2,250 which is equal to one and one-half percent (1 ½ %) of the total amount of Funds.

Joint Use Agreement

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9. **Amendments.** Any amendments to this Agreement shall be in writing, signed by OAI and University, and shall require approval by the Chancellor.

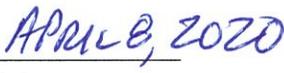
10. **Payment.** Upon execution of this Agreement and approval thereof by the Chancellor, University will submit to the Controlling Board a request for the release of the appropriation to University for the purpose of completing the Project. After release and encumbrance of the Funds, University will seek disbursement of the Funds. OAI will submit to University requests for payment of amounts due accompanied by documentation for contracted work or purchase orders related to obligations incurred by OAI for permitted uses of the Funds.

11. **Terms and conditions of use.** University may use the facility for educational programs only upon request for the specified space for the 20 year period of this agreement. Request must be made at least 2 weeks in advance of use and must follow OAI requirements for room rentals.

Ohio Aerospace Institute



John M. Cotman,
Chief Operating Officer

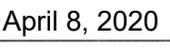


Date

Ohio University



Deborah J. Shaffer,
Senior Vice President of Finance and Administration



Date



Joint Use Agreement
The Ohio Department of Higher Education

Attachment A

Project: Ohio Aerospace Institute, Fire Evacuation System upgrade to code
Date: April 8, 2020

Section I: State appropriation information.

1. Amount of state appropriation provided: \$150,000
2. Estimated annual debt service on the appropriation: \$11,531.42
3. Term of the state bond, in years: 20

Section II: Estimated value of use of the facility.

Use(s) of the facility*	Annual value of use	# of years
a. <u>Room rental</u>	<u>\$ 13,776</u>	<u>20</u>
b. _____	\$ _____	_____
c. _____	\$ _____	_____
d. _____	\$ _____	_____

(* List additional uses on separate page as needed.)

Joint Use Agreement

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Section III:

Item on Pricing List	Per Day Cost	x 3 Days	x 4 Uses / Year
Forum (Auditorium) - Capacity 198	450.00	1,350.00	5,400.00
Day Maid	68.00	204.00	816.00
Facility Staff @ 4 Hours x \$65 per hour	260.00	780.00	3,120.00
Hand Held Wireless Mike	30.00	90.00	360.00
IT Staff @ 4 hours x \$60 per Hour	240.00	720.00	2,880.00
Projector	50.00	150.00	600.00
Podium w/ Speaker	25.00	75.00	300.00
Voice Point	25.00	75.00	300.00
Total Annual Benefits to OU	\$ 1,148.00	\$ 3,444.00	\$ 13,776.00
Total Benefits Over Life of Agreement (Annual Amounts x 20 Years)			\$ 275,520.00
Estimated Debt Service (\$11,531.42 x 20 Years)			\$ 230,628.40
Difference, If Any			\$ 44,891.60

JWC