



CLEAN AIR & CLEAN ENERGY  
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**OAQDA Issues \$8.7 Million in Bond Financing for Energy-Saving Improvements  
at Mansfield and Richland State Correctional Institutions**

COLUMBUS – On June 27, the Ohio Air Quality Development Authority (OAQDA) closed on \$8.7 million in air quality revenue bonds with the Ohio Facilities Construction Commission (OFCC), acting on behalf of two state-owned correctional facilities. The bond financing will be invested in new energy efficiency and conservation systems, which are designed to achieve energy savings guaranteed by MG Energy, Inc, an energy performance contractor based in Mansfield, Ohio. U.S. Bancorp Government Leasing and Finance, Inc was selected as the bond purchaser after a competitive bid process.

“OAQDA has a long-standing partnership with OFCC to improve the energy efficiency of state-owned properties. The bond financing approved by the Authority for the Mansfield and Richland Correctional Institutions will unlock significant cost savings for taxpayers through a reduction in utility bills, achieving a total net benefit of more than \$1.9 million over 15 years,” Christina O’Keeffe, OAQDA Executive Director, said.

The proceeds of the OAQDA bond financing are provided to MG Energy Inc. through a loan agreement to pay the costs of the broad range of energy-saving improvements at the Mansfield and Richland Correctional Institutions. These retrofits include facility-wide LED lighting, heating and domestic hot water boiler replacements, water conservation measures, and HVAC controls. OFCC, acting on behalf of the Ohio Department of Rehabilitation and Correction, will manage the project and verify the results. MG Energy Inc. will guarantee the annual energy savings, which are projected to exceed the annual debt service payments on the bonds.

“Energy efficiency makes sense regardless of the project location – whether it is a state office building or a correctional facility. It is rewarding to create projects like this that save energy, save money, and improve the environment,” OFCC Interim Executive Director Jon Walden said,

“I am happy to see state facilities taking steps to enhance energy efficiency while reducing operating costs,” Senate President Larry Obhof (R-Medina), who has both facilities in his Senate district, said.

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### OAQDA Closes on \$8.7 Million in Financing

After 15 years, the total net savings to Ohio will be \$1,926,385. In addition to the economic benefits, the project will cut utility consumption by a third from existing use and result in the avoidance of air pollution by reducing thousands of pounds in SO<sub>2</sub>, NO<sub>x</sub>, and CO<sub>2</sub> emissions. The environmental benefits are equivalent to 216 passenger vehicles, 1.1 million pounds of coal burned and the average residential energy use by 122 homes.

“This energy conservation project will reduce utility bills, operations and maintenance at both facilities by utilizing new boilers, interior LED lighting and other systems for enhanced energy management at both institutions,” Dave Metzger, president, MG Energy, Inc., said.

The Mansfield Correctional Institution has capacity for 2,500 inmates on a 12-building campus while the Richland Correctional Institution can house 2,600 inmates in seven buildings. Both facilities are located in Richland County and are among the largest of Ohio’s state prisons

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The Ohio Air Quality Development Authority (OAQDA) is a non-regulatory government agency created to help Ohio businesses comply with clean air regulations. Since its creation in 1970, the Authority has provided technical and financial help to hundreds of large and small Ohio businesses, awarding more than \$8 billion to finance air quality projects. For more information about OAQDA and its services, please visit its web site at [www.ohioairquality.org](http://www.ohioairquality.org).