
WHAT: OWDA Master Program: Fresh Water Group

For WHAT: LOANS for Planning/Design and/or Construction (Supplements also available)
of Drinking Water and/or Wastewater and/or Storm Water Infrastructure

WHY: To provide financing for Drinking Water, Wastewater, and Storm Water projects such as:
(Purpose) Development or acquisition of potable water sources, construction/expansion of water and
wastewater treatment facilities, installation or improvement of water distribution and wastewater
collection systems, well-head protection planning studies, or storm water management facilities.

By WHOM: Administered by: OWDA

Funded by: OWDA Fresh Water Funds from OWDA Revenue Bonds

For WHOM: Planning/Design Loans are for Local Government Agencies (Cities, Villages, Counties), Water
Districts, Sewer Districts, Conservancy Districts, and Storm Water Management Districts.

(Eligibility
Criteria) Construction loans are for
LGAs (Cities, Villages, Counties), Water Districts and Sewer Districts that have:
1. Plan approval by OEPA or Permit-to-Install obtained;
2. Local rate legislation enacted to ensure revenues adequate to meet annual loan repayments.

HOW MUCH:	Loan Amount:	Max: No limit
	Eligible Costs:	Engineering & design fees, construction costs, legal and inspection fees
	Loan Admin Fee:	.35% (.0035) of total estimated project costs OR \$400 minimum
	Contract	Calculated quarterly beginning Jan 1 based on previous 8 week average of Bond
	Interest	Buyer 20 Bond Index + 50 basis points.
	Rate:	Some discounts available for construction loans
		.5% for counties or municipalities acquiring Water or WW facilities from a Chapter 6119 District
		.5% for communities under OEPA Findings & Orders under enforcement action or having documented health risks
		.5% for connecting to existing treatment service system where community does not own system
	Interest	.5% for communities that have borrowed from OWDA funds
	Rate	.5% for communities that are purchasing another system
	Discounts:	.5% for being in compliance with a Balanced Growth Plan certified by the State
		Max discount: 1% for up to \$15 million in borrowing by any one Local
	(for construction	Government Agency during a calendar year.
	loans only)	0.5% for borrowing by any one Local Government Agency during a calendar year from \$15 million to \$25 million.
		No discount for borrowing greater than \$25 million during a calendar year.
	Capitalized	Same % as Contract Interest Rate; Accrues on portion of loan disbursed, until 6
	Interest Rate:	months prior to the Loan Maturity Date
	Retainage:	8% of first 50% of labor until project is substantially completed (as defined by the community), for all communities except home-rule, on Construction Loans only
	Planning/Design	Balloon payment at maturity, if no prior repayment made
	Repayment Rate:	(May be rolled into subsequent Construction loan.)
	Construction	Choice of equal annual repayments, OR
	Repayment Rate:	equal annual principal with amortized interest repayments
		5 day grace period
	Late	Less than 30 days: Higher of: Interest Rate OR 8%
	Payment	More than 30 days: Same as above, plus 1% interest on the default amount
	Penalty:	increase every 30 days overdue

HOW LONG:	Planning/Design Loan:	Min: none	Max: 5 years
(Contract Term)	Construction Loan:	Min: 5 years	Max: 30 years

WHEN:	Application:	Due 15 th of each month
	Loan Admin Fee:	Is included in total Loan amount
	Repaymt Invoice:	Mailed approximately every May 15 and Nov 15 by OWDA to Loan Recipients
	Planning/Design	Due earlier of: 5 years OR at the time construction begins
	Loan Repayment:	(May be rolled into subsequent Construction loan)
	Construction	Begins maximum of: 29 months from Cooperative Agreement date
	Loan Repayment:	OR 6 months after project completion date; with Semi-annual repayments due every Jan 1 and July 1

WHERE:	Application from and to:	OWDA Loan Officer
	Disbursement request:	OWDA Chief Engineer
	Repayments to:	OWDA Accounting Dept

HOW:	To Apply for a loan the Borrower must:
	1. Fill out and submit application form with supporting documents as listed on the application.

For Cooperative Agreement approval the Borrower must:

1. Receive bids and tentatively approve contract awards.
2. Pass legislation authorizing signing of the Cooperative Agreement.
3. Complete any necessary assessment, tap-in and/or rate legislation.
4. Prepare a Projection schedule of revenues, debt service obligations, and operation and maintenance costs, over the contract term of years repayments are to be made to OWDA.
5. Have OWDA staff review of all paperwork.
6. Receive OWDA Board approval of loan.

For Disbursement of loan funds the Borrower must:

1. Submit Loan Payment request letter with
 - 1a. Supporting technical services invoices,
 - 1b. Contractor's Estimate Form and supporting contractors' documentation.
2. Submit Quarterly Planning reports to OWDA (for Planning/Design loans only).

To apply for a Supplement to a construction loan the Borrower must:

1. Pass an Ordinance or Resolution to enter into the loan agreement.
2. Provide a revised projection of revenues and expenses of the system to OWDA.

Historic

Documentation:	Ohio Revised Code:	Section 6121
	OWDA Board Action:	Resolution 57-92
		Resolution 120-97
		Resolution 69-99
		Resolution 82-00
		Motion Jan 31, 2002
		Resolution 104-05
		Planning Loan Motion Jan 26, 2006
		Motion May 31, 2007