



Legislation Details (With Text)

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File created: 2/26/2010 **In control:** Utilities Committee
On agenda: 4/5/2010 **Final action:** 4/6/2010
Title: To authorize the Director of Public Utilities to apply for, accept, and enter into up to five (5) Ohio Water Development Authority Local Government Agency Loan Program loan agreements, for the financing of five Division of Power and Water construction projects; and to designate a dedicated repayment source for the loans.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
4/6/2010	1	MAYOR	Signed	
4/6/2010	1	CITY CLERK	Attest	
4/5/2010	1	COUNCIL PRESIDENT	Signed	
3/29/2010	1	Columbus City Council	Read for the First Time	
3/5/2010	1	CITY ATTORNEY	Reviewed and Approved	
3/5/2010	1	Utilities Drafter	Sent to Clerk's Office for Council	
3/4/2010	1	CITY AUDITOR	Reviewed and Approved	
3/4/2010	1	CITY AUDITOR	Reviewed and Approved	
3/4/2010	1	Utilities Drafter	Sent for Approval	
3/3/2010	1	FINANCE DIRECTOR	Reviewed and Approved	
3/3/2010	1	Utilities Drafter	Sent for Approval	
3/2/2010	1	Finance Reviewer	Reviewed and Approved	
3/2/2010	1	Finance Reviewer	Reviewed and Approved	
3/1/2010	1	Utilities Reviewer	Sent for Approval	
3/1/2010	1	UTILITIES DIRECTOR	Reviewed and Approved	
3/1/2010	1	Utilities Drafter	Sent for Approval	
2/26/2010	1	Utilities Drafter	Sent for Approval	
2/26/2010	1	Utilities Reviewer	Reviewed and Approved	
2/26/2010	1	Utilities Reviewer	Reviewed and Approved	
2/26/2010	1	Utilities Drafter	Sent for Approval	

1. BACKGROUND

Need: The Ohio Water Development Authority (OWDA) requires this legislation which authorizes the Director of Public Utilities to

apply for and execute five (5) OWDA Local Government Agency Loan Program loan agreements for the construction of five Water projects as identified in Section 1. under the direction of the Division of Power and Water. These Capital Improvements Projects are being financed through the OWDA Local Government Agency Loan Program. This loan program is administered by the OWDA. The loan program provides low interest rate loans for municipal water utility capital improvements. The loan applications are now being prepared for these projects. This authorizing legislation is a requirement for loan approval and must be submitted to the OWDA as a part of each loan application.

FISCAL IMPACT

Budgeted Amount: There is sufficient budget authority in the 2010 Water System Operating Fund for application fee expenditures. These loans will be paid off over a 20-year period from water system fees (dedicated source of repayment). Water rate increases have been projected and planned in anticipation of these projects and loans.

To authorize the Director of Public Utilities to apply for, accept, and enter into up to five (5) Ohio Water Development Authority Local Government Agency Loan Program loan agreements, for the financing of five Division of Power and Water construction projects; and to designate a dedicated repayment source for the loans.

WHEREAS, the Department of Public Utilities is scheduled to prepare loan applications for submittal to the Ohio Water Development Authority (OWDA) under the Local Government Agency Loan Program to finance, through below-market interest rate loans, the construction of up to five (5) Capital Improvements Projects under the Division of Power and Water, which financial assistance will be of help in reducing total project costs to the City's water customers; and

WHEREAS, prior to loan agreement approval by the OWDA, the loan application and loan agreement documents require the City to submit to the OWDA a certified copy of approved City Council legislation which authorizes the Director of the Public Utilities Department to apply for and subsequently execute the loan agreements, and to authorize a dedicated source of loan repayment for the loans; Now Therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

Section 1. That the Director of Public Utilities be, and hereby is, authorized to apply for, accept, and enter into up to five (5) Ohio Water Development Authority (OWDA) Local Government Agency Loan Program loan agreements, for the financing of up to five Division of Power and Water Capital Improvements Projects, as described below with the "not to exceed" construction project costs in parenthesis, as follows:

1. Canyon Drive Area Water Line Improvements Project, CIP No. 690236-100020; (\$ 2,475,000.00).
2. Dublin Rd. 12-Inch Water Main Improvements, CIP No. 690460; (\$ 3,300,000.00).
3. Idlewild Drive Area Water Main Improvements CIP No. 690236-100008; (\$ 1,100,000.00).
4. DRWP New Low Service Pumps; CIP No. 690494; (\$ 4,400,000.00).
5. Chatterton Rd. Water Main Improvements, CIP No. 690483; (\$ 4,950,000.00).

Section 2. That water rates are hereby authorized to be the dedicated source of repayment for the Ohio Water Development Authority Loan Agreements.

Section 3. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.