



Legislation Details (With Text)

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File created: 3/19/2024 **In control:** Public Utilities & Sustainability Committee
On agenda: 4/15/2024 **Final action:** 4/19/2024
Title: To authorize the Director of the Department of Public Utilities to apply for, accept, and enter into Water Supply Revolving Account Loan Agreements with the Ohio Environmental Protection Agency and the Ohio Water Development Authority during Program Year 2025 for the construction of water distribution and supply system improvements; and to designate a repayment source for the loans. (\$0.00)

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
4/19/2024	1	CITY CLERK	Attest	
4/18/2024	1	MAYOR	Signed	
4/15/2024	1	COUNCIL PRESIDENT	Signed	
4/15/2024	1	Columbus City Council	Approved	Pass
4/8/2024	1	Columbus City Council	Read for the First Time	

1. BACKGROUND

This ordinance seeks City Council approval for the Director of the Department of Public Utilities (DPU) to execute Water Supply Revolving Loan Account (WSRLA) loan agreements through a loan program jointly administered by the Ohio EPA's Division of Environmental and Financial Assistance (DEFA) and the Ohio Water Development Authority (OWDA) for the construction of DPU water distribution and supply system improvements.

The WSRLA program provides below-market interest rate loans for municipal water system improvements. The 35 capital improvement construction projects listed in Section 1 of this ordinance, totaling approximately \$555 million, are believed by DPU to qualify for the WSRLA program and have been nominated by DPU for loan funding through the WSRLA in Program Year 2025, which runs from July 1, 2024 through June 30, 2025. A WSRLA loan application is submitted for each project after the bid results are known. An ordinance is also submitted for City Council approval to award the bid and to use loan funding to finance the project. The OWDA Board typically reviews applications and approves loans the month following receipt of the application if all other required information has also been submitted. The Ohio EPA (OEPA) requires City Council approval of an ordinance authorizing applications to be submitted for the WSRLA loan program.

The Department of Public Utilities anticipates applying for loan funding for the projects listed in Section 1 of this ordinance. However, it may become necessary to add or subtract from this list of projects depending upon project schedule adjustments, departmental need, or OEPA/OWDA deciding the project is not eligible for WSRLA loan funding.

2. FISCAL IMPACT

An expenditure is not requested with this ordinance. All applicable loan administration fees will be rolled into each loan upon execution of the loan agreements. An ordinance will be submitted seeking City Council approval to award the construction bid for each project, while also seeking City Council approval to loan fund the awarded contract. These

WSRLA loans will be paid off over a 20-year period from water service fees (the dedicated source of repayment). Water service rate increases have been projected and planned in anticipation of these projects and loans.

To authorize the Director of the Department of Public Utilities to apply for, accept, and enter into Water Supply Revolving Account Loan Agreements with the Ohio Environmental Protection Agency and the Ohio Water Development Authority during Program Year 2025 for the construction of water distribution and supply system improvements; and to designate a repayment source for the loans. (\$0.00)

WHEREAS, in Program Year 2025 the Department of Public Utilities is scheduled to prepare loan applications for submittal to the Ohio EPA under the Water Supply Revolving Loan Account (WSRLA) program to finance the construction of capital improvements projects under the direction of the Division of Water, the financial assistance for which may be of assistance in reducing total project costs to the City’s water rate payers; and

WHEREAS, the low-interest loans will be applied for based upon the availability of funds through the Ohio EPA’s WSRLA program and executed upon approval by Ohio EPA of the Loan Applications; and

WHEREAS, the WSRLA Loan Application and Loan Agreement documents require the City to submit to the Ohio EPA a certified copy of approved City Council legislation authorizing the Director of the Public Utilities Department to apply for and subsequently execute the WSRLA agreement(s); and

WHEREAS, it has become necessary in the usual daily operation of the Department of Public Utilities to authorize the Director to apply for, accept, and enter into Water Supply Revolving Account Loan Agreements with the Ohio Environmental Protection Agency and the Ohio Water Development Authority; **NOW, THEREFORE,**

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

SECTION 1. That the Director of the Department of Public Utilities is authorized to apply for, accept, and enter into Water Supply Revolving Loan Account Loan Agreements with the Ohio Environmental Protection Agency and administered by the Ohio Water Development Authority to finance Division of Water projects, based upon the availability of funds through the Ohio EPA’s Water Supply Revolving Loan Account (WSRLA) program and the Agency’s approval, for the projects listed below:

	CIP Number	Project Name
1	690236-100102	Aragon Ave. Area WL Improvements
2	690236-100120	Newton/Bedford Area WL Improvements
3	690236-100126	Sawmill Place Blvd. Area WL Improvements
4	690236-100129	Bluefield Drive Area WL Improvements
5	690236-100131	Atlanta Drive WL Improvements
6	690236-100133	Lexington WL Improvements
7	690236-100134	Jermain Dr WL Improvements
8	690236-100135	Heyl Ave WL Improvements
9	690236-100136	Athens Ave & Rumsey Rd Area WL Improvements
10	690236-100137	Kenwick WL Improvements
11	690236-100138	Velma Ave Area WL Improvements
12	690236-100143	Eureka Fremont WL Improvements
13	690236-100144	Kent-Fairwood Area WL Improvements
14	690236-100145	Palmetto Westgate WL Improvements
15	690236-100157	N. Sixth St & Third Ave Area WL Improvements
16	690236-100159	5th Ave by Northwest -Edgehill Meadow Area WL Improvements

17	690236-100175	Lead Service Line Replacement
18	690236-100180	South High Street & I270 Area WL Improvements
19	690278-100010	DRWP Tunnel Repair
20	690291-100009	PAWP Control Room & Laboratory Renovation
21	690502-100001	Fourth Water Plant Transmission Main Mod# 3 Detailed Design
22	690502-100004	Professional Construction Management (PCM) - 4th Water Plant Transmission Main
23	690502-100005	Morse Rd 48 Inch Transmission Main Lowering
24	690552-100000	Plant Drain & Water System Improvements
25	690552-100001	PAWP Plant Drain & Water System Improvements
26	690567-100000	DRWP Automation Upgrades
27	690578-100000	DRWP Caustic Feed Improvements
28	690580-100000	PAWP Wellfield Development - CW112
29	690587-100004	Professional Construction Management (PCM) - 4th Water Plant
30	690600-100000	Fourth Water Plant Mod# 2 Detailed Design
31	690600-100002	Fourth Water Plant - Site Preparation
32	690600-100003	Fourth Water Plant - Electrical Substation
33	690618-100000	DRWP GAC Improvements
34	690700-100000	Lead Service Line Replacement Pt. 2
35	TBD	Water Quality Assurance Lab Equipment (WQAL) LC/MS/MS Emerging Contaminants

SECTION 2. That City Council understands and agrees that the list of projects in Section 1 of this ordinance are the projects the Department of Public Utilities anticipates submitting for Water Supply Revolving Loan Account Loan Agreements; that projects may be added to or subtracted from the list due to schedule changes or department need; and City Council authorizes the Director of the Department of Public Utilities to make changes to the list as the Director of the Department of Public Utilities deems necessary without seeking City Council approval for the changes and without amending this ordinance.

SECTION 3. That city water rate revenues are hereby authorized to be the dedicated source of repayment for the Water Supply Revolving Loan Account loan(s).

SECTION 4. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this Ordinance.

SECTION 6. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.