



Legislation Text

File #: 0875-2024, **Version:** 1

BACKGROUND: Ohio EPA requires this legislation which authorizes the Director of Public Utilities to apply for, accept, and enter into a Water Supply Revolving Loan Account (WSRLA) Loan Agreement for the Manchester Ave Area Water Line Improvements project. This Capital Improvement Project has been nominated and awaits OEPA's approval for financing through the Water Supply Revolving Loan Account (WSRLA) program in 2024. This loan program is jointly administered by the Ohio EPA's Division of Environmental and Financial Assistance (DEFA) and the Ohio Water Development Authority (OWDA). The WSRLA program provides below-market interest rate loans for municipal water system improvements.

FISCAL IMPACT: All applicable Loan Administration Fees will be rolled into the loan principal upon execution of the Loan Agreement. This WSRLA loan 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 this project and loan.

To authorize the Director of Public Utilities to apply for, accept, and enter into an Ohio Water Supply Revolving Loan Account Loan Agreement with the Ohio Environmental Protection Agency and the Ohio Water Development Authority for the construction of a water distribution system improvements project; and to designate a repayment source for the loan. (\$0.00)

WHEREAS, in 2024 the Department of Public Utilities is scheduled to prepare a Loan Application for submittal to the Ohio EPA under the Water Supply Revolving Loan Account (WSRLA) program to finance the construction of the Manchester Avenue Area Water Line Improvements Capital Improvements Project under the direction of the Division of Water, the financial assistance for which may be of help in reducing total project costs to the City's water rate payers; and

WHEREAS, the low-interest loan 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 Application; 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; 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 this Water Supply Revolving Account Loan Agreement 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 Public Utilities is hereby authorized to apply for, accept, and enter into a Water Supply Revolving Loan Account Loan Agreement, with Ohio Environmental Protection Agency and the Ohio Water Development Authority for the financing necessary to construct the Division of Water project, as described below:

1. Manchester Avenue Area Water Line Improvements Project, CIP No. 690236-100113, WSRLA No. FS390274-0339

SECTION 2. That Water Service Fees are hereby authorized to be the dedicated source of repayment for the Water Supply Revolving Loan Account Loan Agreement.

SECTION 3. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

SECTION 4. 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 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.