



Legislation Text

File #: 0258-2015, Version: 1

1. BACKGROUND

Need: The Ohio EPA requires this legislation which authorizes the Director of Public Utilities to apply for and execute up to five (5) Ohio Water Pollution Control Loan Fund (WPCLF) loan agreements totaling approximately \$59 million, for construction of five Sanitary and Treatment Engineering Capital Improvement Projects as identified in Section 1., under the direction of the Division of Sewerage and Drainage (DOSD). This loan program is jointly administered by the Ohio EPA's Division of Environmental and Financial Assistance, and the Ohio Water Development Authority (OWDA). The WPCLF Loan Fund program provides below-market interest rate loans for municipal wastewater treatment improvements.

2. EMERGENCY DESIGNATION: WPCLF loan applications are now being processed for these projects. This authorizing legislation is a requirement for loan approval and must be submitted to the Ohio EPA as a part of each loan application prior to consideration by the Ohio Water Development Authority (OWDA) board for loan award. For the purpose of keeping projects on schedule, therefore, emergency designation is requested.

3. FISCAL IMPACT

Budgeted Amount: There is sufficient budget authority in the 2015 Sewer Systems Operating Funds for the loan application fee expenditures. These loans will be paid off over a 20-year period from sewerage system fees (dedicated source of repayment). Sewerage system fee 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 Pollution Control Loan Fund Agreements with the Ohio Water Development Authority and the Ohio Environmental Protection Agency, for the financing of up to five Division of Sewerage and Drainage Division (DOSD) construction projects; to designate a dedicated source of repayment for the loans; and to declare an emergency.

WHEREAS, in 2015 the Department of Public Utilities is scheduled to prepare loan applications for up to \$59 million in financing, for submittal to the Ohio EPA under the Ohio Water Pollution Control Loan Fund (WPCLF) program to finance, through below-market interest rate loans, the construction of up to five Capital Improvements Projects under the Division of Sewerage and Drainage, which said financial assistance may be of help in reducing total project costs to the City's sewerage customers; and

WHEREAS, prior to WPLCF loan agreement approval by the Ohio Water Development Authority, the WPCLF 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 said WPCLF agreements, and to authorize a dedicated source of loan repayment for the loans; and

WHEREAS, this legislation must be approved and a certified copy must be submitted to the Ohio EPA prior to the OWDA board's consideration for approval as part of the loan application and loan agreement approval process, therefore an emergency exists in the usual daily operation of the Division of Sewerage and Drainage, Department of Public Utilities, in that it is immediately necessary to authorize the Director of Public Utilities to apply for, accept, and enter into

to up to five (5) WPCLF Loan Agreements with the State of Ohio for the immediate preservation of the public peace, health, property, and safety; 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) Water Pollution Control Loan Fund Loan Agreements with the Ohio Water Development Authority and the Ohio Environmental Protection Agency, for the financing of up to five Division of Sewerage and Drainage projects as described with the "not to exceed" construction project costs in parenthesis, below:

1. JPWWTP Biosolids Land Application Improvements Project, CIP No. 650243-100002, WPCLF Loan No. CS390274-0200; (\$15,000,000.00).
2. WWTF Multiple Hearth Incinerator Improvements Project, CIP No. 650249-100002, WPCLF Loan No. CS390274-0204; (\$4,000,000.00).
3. SWWTP Biosolids Land Application Facility, CIP No. 650356-100002, WPCLF Loan No. CS390274-0202; (\$36,000,000.00).
4. Franklin Main Interceptor, Section 6, CIP No. 650600-100006, WPCLF Loan No. CS390274-0199; (\$3,000,000.00).
5. Rickenbacker Area Sanitary Pump Station, CIP No. 650775-100000, WPCLF Loan No. CS390274-0201; (\$400,000.00).

SECTION 2. That Sewerage System Service Charges are hereby authorized to be the dedicated source of repayment for the Water Pollution Control Loan Fund Loans.

SECTION 3. That for the reasons stated in the preamble hereto, which is made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.