



Legislation Text

File #: 0838-2013, Version: 1

1. **BACKGROUND:** The Department of Public Utilities (DPU) receives low-interest loans to fund capital improvement projects through The Ohio Environmental Protection Agency's (OEPA) Water Pollution Loan Fund (WPCLF) program. The WPCLF program which is administered by the Ohio Water Development Authority (OWDA), provides below market-rate loans as well as other support mechanisms for funding various environmentally impactful projects. The Water Resource Restoration Sponsorship Program (WRRSP) is a program through which interest generated from an identified Sponsor Project's WPCLF loan is used to fund an OEPA approved waterway protection or restoration project. By agreeing to participate as a sponsor for a WRRSP project, the Sponsor Project's WPCLF loan receives an additional interest rate discount of up to 0.1% while assisting in water resource improvements within the central Ohio watershed area.

Ordinance 2106-2007 authorized the Director of the Department of Public Utilities to enter into a Sponsorship Agreement for the Clover Groff Phase 2 WRRSP Project. By agreeing to sponsor the WRRSP, DPU received a 0.1% discount on the sponsoring project's WPCLF loans, and the interest generated by the loans was then to be paid as a reimbursement to OEPA through the Ohio Water Development Authority (OWDA) for the WRRSP project.

Based on the loan amounts for the Sponsor Projects, OEPA estimated the interest generated would fully fund the WRRSP and therefore agreed to the sponsorship arrangement and paid for the WRRSP project's construction in full. The Sponsor Projects, however, were completed under budget (under bid amount) and therefore will not generate the amount of interest anticipated to cover the costs of the WRRSP.

The letter addressed to the Director of Public Utilities from OEPA dated January 25, 2013, and attached to this Ordinance, reflects this interest shortfall. For this reason it is necessary for DPU to reimburse OEPA, through payment to OWDA, the amount of \$73,805.93.

2. **FISCAL IMPACT:** This expenditure will be taken directly from the Sanitary Sewer System Reserves Fund.

3. **EMERGENCY DESIGNATION:** Emergency legislation is being requested so that the payment to OWDA can be processed immediately and without any delay.

To authorize the City Auditor to reimburse the Ohio Environmental Protection Agency through payment to the Ohio Water Development Authority for the Clover Groff Ph. 2 Water Resource Restoration Program project in the amount of \$73,805.93 from the Sanitary Sewer System Reserves Fund; and to declare an emergency. (\$73,805.93)

WHEREAS, in 2008 the Department of Public Utilities entered into the necessary WRRSP Sponsorship Agreements with Ohio EPA and the Ohio Water Development Authority to fund the Clover Groff Ph. 2 WRRSP project as authorized by Ordinance 2106-2007; and

WHEREAS, the Department of Public Utilities received a 0.1% interest rate discount on the WPCLF loans identified as sponsors for the WRRSP project, and

WHEREAS, per the agreements the Department of Public Utilities is responsible for reimbursing Ohio EPA, through

payment to the Ohio Water Development Authority, the amount of loan interest paid in advance by Ohio EPA for the construction of the WRRSP project in excess of the amount of interest generated by the sponsoring loans; and

WHEREAS, it is necessary for this Council to authorize the City Auditor to appropriate and expend funds from the Sanitary Sewer System Reserves Fund; and

WHEREAS,: an emergency exists in the usual daily operation of the Department of Public Utilities, in that it is immediately necessary to reimburse the Ohio Environmental Protection Agency through payment to the Ohio Water Development Authority for the Clover Groff Phase 2 Water Resource Restoration Program Project for the immediate preservation of the public health, peace, property and safety; now, therefore

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

SECTION 1. That the appropriation and expenditure of \$73,805.93 for reimbursement to Ohio EPA through OWDA is hereby authorized within the Sanitary Sewer System Reserves Fund, Fund No. 654; Division 60-05; Object Level Three 6698; OCA Code 655225

SECTION 2. 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 3. That the funds necessary to carry out the purpose of this Ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 4. That the Director of Public Utilities be, and hereby is, authorized to expend \$73,805.93 in accordance with the terms and conditions of the WRRSP Sponsorship Agreements on file in the Office of the Department of Public Utilities.

SECTION 5. That for the reasons stated in the preamble hereto, where is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure, which 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