



Legislation Text

File #: 2516-2013, 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 eight (8) Ohio Water Pollution Control Loan Fund (WPCLF) loan agreements totaling approximately \$122 million, for construction of up to eight 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.

FISCAL IMPACT

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

Budgeted Amount: Sufficient budget authority is planned in the 2014 Sewer Systems Operating Funds for 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 eight (8) 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 eight Division of Sewerage and Drainage Division (DOSD) construction projects; and to designate a dedicated source of repayment for the loans.

WHEREAS, in 2014 the Department of Public Utilities is scheduled to prepare loan applications for up to \$122 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 eight 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, the low-interest loans will be applied for based upon the availability of funds through the Ohio EPA's WPCLF program and executed upon approval of the loan applications by Ohio EPA; and

WHEREAS, the WPCLF loan application and loan agreement documents require the City to submit to the Ohio EPA a certified copy of the approved City Council legislation which authorizes the Director of the Public Utilities Department to apply for and subsequently execute the WPCLF agreement(s); 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 eight (8) 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 eight Division of Sewerage and Drainage projects as described with the "not to exceed" project construction costs in parenthesis, below:

1. Blacklick Creek Sanitary Interceptor Sewer, CIP No. 650034-100006, WPCLF Loan No. CS390274-0183 (\$94,000,000.00).
2. JPWWTP Corrosion Prevention and Protection Systems (Phase 2), CIP No. 650259-100002, WPCLF Loan No. CS390274-0184; (\$3,500,000.00).
3. CSO Reduction Improvements at WWTP's, CIP No. 650347-100001, WPCLF Loan No. CS390274-0161, (\$3,000,000.00)
4. BWARI Biofilter, CIP No. 650490-100002, WPCLF Loan No. CS390274-0185, (\$3,500,000.00).
5. Upper Scioto West Shaft Improvements, CIP No. 650499-100000, WPCLF Loan No. CS390274-0186, (\$1,000,000.00).
6. Alum Creek Trunk Sewer (North) Rehab, CIP No. 650725-100002, WPCLF Loan No. CS390274-0187, (\$6,050,000.00).
7. Alum Creek Trunk Sewer (Middle) Rehab (Phase B), CIP No. 650725-100003, WPCLF Loan No. CS390274-0188, (\$5,500,000.00).
8. Blueprint Linden - CIPP Lining Project, CIP No. 650870-100700, WPCLF Loan No. CS390274-0190, (\$5,500,000.00).

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