



## Legislation Text

**File #: 0067-2008, Version: 1**

### 1. BACKGROUND

Need: The Ohio EPA requires this legislation which authorizes the Director of Public Utilities to execute four (4) Water Supply Revolving Loan Account (WSRLA) loan agreements totaling approximately \$13.8 million, for construction of four water distribution system projects as identified in Section 1, under the direction of the Division of Power and Water (Water Section). These Capital Improvements Projects are being financed through the Water Supply Revolving Loan Account program. This loan program is jointly administered by the Ohio EPA's Division of Drinking and Ground Waters, and the Ohio Water Development Authority (OWDA). The WSRLA program provides below-market interest rate loans for municipal water system improvements.

### FISCAL IMPACT

Budgeted Amount: There is sufficient budget authority in the 2008 Water System Operating Fund for application fee expenditures. These loans will be paid off over a 20-year period from water service rate fees (dedicated source of repayment). Water service rate 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 four (4) Water Supply Revolving Loan Account Agreements during the year 2008 with the Ohio Water Development Authority and the Ohio Environmental Protection Agency for the construction of water distribution system improvements; and to designate a repayment source for the loans.

**WHEREAS**, in 2008 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 four Capital Improvements Projects under the Division of Power and Water (Water Section) the financial assistance for which will be of help in reducing total project costs to the City's water customers; and

**WHEREAS**, the WSRLA 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 WSRLA agreement; 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 four (4) Water Supply Revolving Loan Account Agreements with the Ohio Water Development Authority and the Ohio Environmental Protection Agency for the financing four (4) Division of Power and Water (Water Section) projects, as described with the "not to exceed" construction project costs in parenthesis, as follows:

1. University Area Water Line Improvements, CIP No. 690236 (Contract No. 1014), WSRLA No. FS390469-01 (\$4,800,000.00)
2. Far East Water Line Improvements, CIP No. 690236 (Contract No. 1055), WSRLA No. FS390465-01 (\$3,600,000.00)
3. Champion Avenue 24-inch Main Line, CIP No. 690403, WSRLA No. FS390456-01 (\$2,400,000.00)
4. Livingston Avenue 24-inch Main Line, CIP No 690404, WSRLA No. FS390455-01 (\$2,500,000.00)

**Section 2.** That water rates are hereby authorized to be the source of repayment for the Water Supply Revolving Loan Account Agreement.

**Section 3.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

