



Legislation Text

File #: 0153-2010, Version: 1

1. BACKGROUND

Need: The Ohio Water Development Authority (OWDA) requires this legislation which authorizes the Director of Public Utilities to apply for and execute three (3) OWDA Local Government Agency Loan Program loan agreements for construction of three water projects as identified in Section 1. under the direction of the Division of Power and Water (Water Section). These Capital Improvement Projects are being financed through the OWDA Local Government Agency Loan Program and are administered by the Ohio Water Development Authority (OWDA). This loan program provides low-interest rate loans for municipal water utility capital improvements.

FISCAL IMPACT

Budgeted Amount: There is sufficient budget authority in the 2010 Water System Operating Fund for application fee expenditures. This loan will be paid off over a 20-year period from water system fees (dedicated source of repayment). Water rate 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 three (3) Ohio Water Development Authority Local Government Agency Loan Program loan agreements for the financing of the construction of water system and infrastructure improvements; and to designate a repayment source for the loans.

WHEREAS, the Department of Public Utilities is scheduled to prepare loan applications for submittal to the Ohio Water Development Authority (OWDA) under the Local Government Agency Loan Program to finance, through below-market interest rate loans, the construction of three Capital Improvement Projects under the Division of Power and Water (Water Section), the financial assistance for which will be of help in reducing the over-all project costs to the City's water rate payers; and

WHEREAS, prior to loan agreement approval by the OWDA, the loan applications and loan agreement documents require the City to submit to the OWDA a certified copy of approved City Council legislation which authorizes the Director of the Public Utilities Department to apply for and subsequently execute the loan agreements, and to authorize a dedicated source of loan repayment for the loans; 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 three (3) Ohio Water Development Authority (OWDA) Local Government Agency Loan Program loan agreements, for the financing of three (3) Division of Power and Water (Water Section) projects, as described with the "not to exceed" construction project costs in parenthesis as follows:

1. Long Street Water Main Cleaning and Lining project, CIP No. 690368; (\$1,380,000.00)
2. HCWP Lagoon #1 Embankment Improvements project, CIP No. 690331; (\$3,450,000.00)
3. PAWP Sludge Disposal project; CIP No. 690414; (\$8,970,000.00)

Section 2. That water rates are hereby authorized to be the dedicated source of repayment for the Ohio Water Development Authority Loan Agreements.

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

