



Legislation Text

File #: 0419-2007, Version: 1

BACKGROUND

The Ohio EPA requires this legislation in order to apply for, accept, and enter into a Water Supply Revolving Loan Account (WSRLA). This will allow the Division of Power and Water to finance the construction of the Taylor Road 2 M.G. elevated storage tank at an estimated cost of \$4.5 million. This below market interest rate program will benefit the City and its water rate payers by lowering the overall cost of this CIP project and thereby assisting to reduce the water rates.

EMERGENCY DESIGNATION: As part of the application and loan agreement process, a certified copy of this authorizing legislation must be submitted to the Ohio EPA and Ohio Water Development Authority (OWDA) prior to the OWDA board meeting. And, the construction contract legislation cannot be certified by the Auditor until such time as the cooperative agreement is approved and an OWDA loan number is assigned. The earliest effective date of this ordinance insures compliance with the WSRLA loan program requirements and thereby expediting the construction project initiation.

SCAL IMPACT

Budgeted Amount: There is sufficient budget authority in the 2007 Water System Operating Fund for application fee expenditures. This loan will be paid off over a 20-year period from water system fees. Water fee increases have been projected and planned in anticipation of this CIP project.

To authorize the Director of Public Utilities to apply for, accept, and enter into a Water Supply Revolving Loan Account on behalf of the City of Columbus for construction of drinking water facilities; to designate the Director as the authorized representative; and to designate a dedicated repayment source for the loan; and to declare an emergency.

WHEREAS, the City of Columbus seeks to upgrade its existing drinking water facilities and intends to apply for a Water Supply Revolving Loan Account (WSRLA) for the construction of the drinking water facilities, and

WHEREAS, the WSRLA requires the government authority to pass legislation for the application of a loan and the execution of an agreement as well as designating a repayment source, and designating an authorized representative, and

WHEREAS, this legislation must be approved by City Council and a certified copy must be submitted to the Ohio EPA and to the OWDA as part of the loan application and loan agreement approval process, so as to expedite construction of the drinking water facilities, therefore an emergency exists in the usual daily operation of the Division Power and Water, Department of Public Utilities, in that it is immediately necessary to authorize the Director of Public Utilities to apply for and execute the WSRLA loan agreement 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 a Water Supply Revolving Loan Account (WSRLA) on behalf the City of Columbus for the construction of the Taylor Road 2 M.G. Elevated Water Storage Tank, CIP No. 690426, WSRLA No. FS390431-01, with an estimated project cost of \$4.5 million.

Section 2. That the Director of the Department of Public Utilities be, and hereby is, designated as the WSRLA authorized representative for this project and all future WSRLA projects.

Section 3. That the dedicated source of repayment for this and all future WSRLA loans will be Water Service Charges.

Section 4. 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.