



Legislation Text

File #: 1220-2010, **Version:** 1

1. BACKGROUND

A. Need: This legislation is needed for the City to pay the loan agreement application fee on total project costs of \$285,609,697.00, for the OSIS Augmentation and Relief Sewer (OARS) Project (CIP No. 650704.100001). This Division of Sewerage and Drainage project has been approved for financing through the Ohio EPA's Water Pollution Control Loan Fund (WPCLF) program. This loan program is jointly administered by the Ohio EPA's Division of Environmental and Financial Assistance, and the Ohio Water Development Authority (OWDA). OWDA approved the loan agreement at the June 24, 2010 OWDA board meeting. The WPCLF provides below-market interest rate loans for municipal wastewater treatment improvements. The interest rate for this loan agreement is 3.25%.

B. FISCAL IMPACT

Budgeted Amount: There is sufficient budget authority in the 2010 Sewer System Operating Fund for application fee expenditures.

To authorize the Director of Public Utilities to pay the Water Pollution Control Loan Fund application fee to the Ohio Water Development Authority for the Division of Sewerage and Drainage OSIS Augmentation and Relief Sewer (OARS) project; and to authorize the expenditure of \$437,500.00 from the Sewer System Operating Fund. (\$437,500.00)

WHEREAS, a Division of Sewerage and Drainage OARS project, CIP No. 650704.100001, OWDA Loan Account No. 5671 has been approved for financing by OWDA on June 24, 2010, through an Ohio Water Pollution Control Loan Fund agreement which financial assistance will help to reduce the total project costs to the City's sewerage customers; and

WHEREAS, it is necessary to authorize the Director of Public Utilities to pay the requisite loan application fee of \$437,500.00 to the Ohio Water Development Authority payable upon the delivery of the executed loan agreement; and

WHEREAS, the application fee is based on 0.35% for OWDA overhead expenses including legal and financial services fee on total project cost of \$285,606,697.00; 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 pay the Water Pollution Control Loan Fund application fee to the Ohio Water Development Authority, for the Sewerage and Drainage Division project entitled OSIS Augmentation and Relief Sewer (OARS), WPCLF No. CS390274-0132, OWDA Loan Account No. 5671.

Section 2. That the expenditure of \$437,500.00 or as much thereof as may be needed, be and the same hereby is authorized from the Sewer System Operating Fund, Fund 650, Division 60-05, OCA Code 651001, Object Level One 03, Object Level Three 3390, to pay the cost of the Water Pollution Control Loan Fund application fee to the Ohio Water Development Authority.

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