



Legislation Text

File #: 1570-2008, Version: 1

1. BACKGROUND

A. Need: The Ohio EPA requires this legislation which authorizes the Director of Public Utilities to apply for, accept, and enter into two (2) Water Pollution Control Loan Fund (WPCLF) supplemental loan agreements totaling approximately \$4,751,000, for the completion of two Sanitary Sewer System projects as identified in Section 1., under the direction of the Sewerage & Drainage Division. These Capital Improvements Projects are being financed through the Ohio Water Pollution Control Loan Fund 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). The WPCLF provides below-market interest rate loans for municipal wastewater treatment improvements.

B. Emergency Designation: In order to obtain OWDA board approval of the supplemental loan agreements on October 30, 2008, a certified copy of this authorizing legislation must be submitted to the Ohio EPA and the OWDA as a part of each loan application and prior to the OWDA board meeting on October 30, 2008. The earliest effective date of this ordinance insures compliance with the OWDA loan program requirements and thereby expediting the construction project completion.

FISCAL IMPACT

Budgeted Amount: There is sufficient budget authority in the 2008 Sewer System Operating Fund for application fee expenditures. These loans will be paid off over a 20-year period from sewerage system fees (dedicated source of repayment). Sewerage 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 two (2) Ohio Water Pollution Control Loan Fund Supplemental Loan Agreements during the year 2008 with the Ohio Water Development Authority and the Ohio Environmental Protection Agency in order to complete the construction of sewerage system wastewater treatment facilities; to designate a dedicated repayment source for the loans; and to declare an emergency.

WHEREAS, the Department of Public Utilities has submitted two supplemental loan applications to the Ohio EPA under the Ohio Water Pollution Control Loan Fund (WPCLF) program for additional funds to finance the completion of two Capital Improvements Projects under the Division of Sewerage and Drainage, which financial assistance will be of help in reducing total project costs to the City's sewerage customers; 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; and

WHEREAS, this legislation must be approved by City Council and a certified copy must be submitted to the Ohio EPA and OWDA prior to the October 30, 2008 OWDA board meeting as part of the loan application and loan agreement approval process, in order to provide additional funds to complete these two projects as scheduled, therefore an emergency exists in the usual daily operation of the Division of Sewerage and Drainage, Department of Public Utilities, in that it is immediately necessary to authorize the Director of Public Utilities to execute two WPCLF Supplemental Loan Agreements with the OWDA and the Ohio EPA 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 two (2) Water Pollution Control Loan Fund Supplemental Loan Agreements, during the year 2008, with the Ohio Water Development Authority and the Ohio Environmental Protection Agency for the additional financing to complete the construction of two (2) Division of Sewerage

and Drainage projects, as described with the "not to exceed" construction project costs in parenthesis, as follows:

1. Southerly Wastewater Treatment Plant Digester Rehabilitation, CIP No. 650353, WPCLF No. CS392277-01-1 (\$4,301,000).
2. Southerly Wastewater Treatment Plant New Headworks, Phase 3, CIP No. 650352, WPCLF No. CS39276-03-1 (\$450,000)

Section 2. That Sewerage System Service Charges is hereby authorized to be the dedicated source of repayment for the Water Pollution Control Loan Fund Agreements.

Section 3. 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.