



## Legislation Text

**File #: 0859-2024, Version: 1**

### 1. BACKGROUND

This ordinance seeks City Council approval for the Director of the Department of Public Utilities (DPU) to execute Water Supply Revolving Loan Account (WSRLA) loan agreements through a loan program jointly administered by the Ohio EPA's Division of Environmental and Financial Assistance (DEFA) and the Ohio Water Development Authority (OWDA) for the construction of DPU water distribution and supply system improvements.

The WSRLA program provides below-market interest rate loans for municipal water system improvements. The 35 capital improvement construction projects listed in Section 1 of this ordinance, totaling approximately \$555 million, are believed by DPU to qualify for the WSRLA program and have been nominated by DPU for loan funding through the WSRLA in Program Year 2025, which runs from July 1, 2024 through June 30, 2025. A WSRLA loan application is submitted for each project after the bid results are known. An ordinance is also submitted for City Council approval to award the bid and to use loan funding to finance the project. The OWDA Board typically reviews applications and approves loans the month following receipt of the application if all other required information has also been submitted. The Ohio EPA (OEPA) requires City Council approval of an ordinance authorizing applications to be submitted for the WSRLA loan program.

The Department of Public Utilities anticipates applying for loan funding for the projects listed in Section 1 of this ordinance. However, it may become necessary to add or subtract from this list of projects depending upon project schedule adjustments, departmental need, or OEPA/OWDA deciding the project is not eligible for WSRLA loan funding.

### 2. FISCAL IMPACT

An expenditure is not requested with this ordinance. All applicable loan administration fees will be rolled into each loan upon execution of the loan agreements. An ordinance will be submitted seeking City Council approval to award the construction bid for each project, while also seeking City Council approval to loan fund the awarded contract. These WSRLA loans will be paid off over a 20-year period from water service fees (the dedicated source of repayment). Water service rate increases have been projected and planned in anticipation of these projects and loans.

To authorize the Director of the Department of Public Utilities to apply for, accept, and enter into Water Supply Revolving Account Loan Agreements with the Ohio Environmental Protection Agency and the Ohio Water Development Authority during Program Year 2025 for the construction of water distribution and supply system improvements; and to designate a repayment source for the loans. (\$0.00)

**WHEREAS**, in Program Year 2025 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 capital improvements projects under the direction of the Division of Water, the financial assistance for which may be of assistance in reducing total project costs to the City's water rate payers; and

**WHEREAS**, the low-interest loans will be applied for based upon the availability of funds through the Ohio EPA's WSRLA program and executed upon approval by Ohio EPA of the Loan Applications; and

**WHEREAS**, the WSRLA Loan Application and Loan Agreement documents require the City to submit to the Ohio EPA a certified copy of approved City Council legislation authorizing the Director of the Public Utilities Department to apply for and subsequently execute the WSRLA agreement(s); and

**WHEREAS**, it has become necessary in the usual daily operation of the Department of Public Utilities to authorize the

Director to apply for, accept, and enter into Water Supply Revolving Account Loan Agreements with the Ohio Environmental Protection Agency and the Ohio Water Development Authority; **NOW, THEREFORE,**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Director of the Department of Public Utilities is authorized to apply for, accept, and enter into Water Supply Revolving Loan Account Loan Agreements with the Ohio Environmental Protection Agency and administered by the Ohio Water Development Authority to finance Division of Water projects, based upon the availability of funds through the Ohio EPA's Water Supply Revolving Loan Account (WSRLA) program and the Agency's approval, for the projects listed below:

|    | CIP Number    | Project Name   |
|----|---------------|--|
| 1  | 690236-100102 | Aragon Ave. Area WL Improvements   |
| 2  | 690236-100120 | Newton/Bedford Area WL Improvements  |
| 3  | 690236-100126 | Sawmill Place Blvd. Area WL Improvements                                       |
| 4  | 690236-100129 | Bluefield Drive Area WL Improvements   |
| 5  | 690236-100131 | Atlanta Drive WL Improvements  |
| 6  | 690236-100133 | Lexington WL Improvements  |
| 7  | 690236-100134 | Jermain Dr WL Improvements   |
| 8  | 690236-100135 | Heyl Ave WL Improvements   |
| 9  | 690236-100136 | Athens Ave & Rumsey Rd Area WL Improvements                                    |
| 10 | 690236-100137 | Kenwick WL Improvements  |
| 11 | 690236-100138 | Velma Ave Area WL Improvements   |
| 12 | 690236-100143 | Eureka Fremont WL Improvements   |
| 13 | 690236-100144 | Kent-Fairwood Area WL Improvements   |
| 14 | 690236-100145 | Palmetto Westgate WL Improvements  |
| 15 | 690236-100157 | N. Sixth St & Third Ave Area WL Improvements                                   |
| 16 | 690236-100159 | 5th Ave by Northwest -Edgehill Meadow Area WL Improvements                     |
| 17 | 690236-100175 | Lead Service Line Replacement  |
| 18 | 690236-100180 | South High Street & I270 Area WL Improvements                                  |
| 19 | 690278-100010 | DRWP Tunnel Repair   |
| 20 | 690291-100009 | PAWP Control Room & Laboratory Renovation                                      |
| 21 | 690502-100001 | Fourth Water Plant Transmission Main Mod# 3 Detailed Design                    |
| 22 | 690502-100004 | Professional Construction Management (PCM) - 4th Water Plant Transmission Main |
| 23 | 690502-100005 | Morse Rd 48 Inch Transmission Main Lowering                                    |
| 24 | 690552-100000 | Plant Drain & Water System Improvements  |
| 25 | 690552-100001 | PAWP Plant Drain & Water System Improvements                                   |
| 26 | 690567-100000 | DRWP Automation Upgrades   |
| 27 | 690578-100000 | DRWP Caustic Feed Improvements   |
| 28 | 690580-100000 | PAWP Wellfield Development - CW112   |
| 29 | 690587-100004 | Professional Construction Management (PCM) - 4th Water Plant                   |
| 30 | 690600-100000 | Fourth Water Plant Mod# 2 Detailed Design                                      |
| 31 | 690600-100002 | Fourth Water Plant - Site Preparation  |

|    |               |   |
|----|---------------|---|
| 32 | 690600-100003 | Fourth Water Plant - Electrical Substation                                  |
| 33 | 690618-100000 | DRWP GAC Improvements   |
| 34 | 690700-100000 | Lead Service Line Replacement Pt. 2   |
| 35 | TBD           | Water Quality Assurance Lab Equipment (WQAL) LC/MS/MS Emerging Contaminants |

**SECTION 2.** That City Council understands and agrees that the list of projects in Section 1 of this ordinance are the projects the Department of Public Utilities anticipates submitting for Water Supply Revolving Loan Account Loan Agreements; that projects may be added to or subtracted from the list due to schedule changes or department need; and City Council authorizes the Director of the Department of Public Utilities to make changes to the list as the Director of the Department of Public Utilities deems necessary without seeking City Council approval for the changes and without amending this ordinance.

**SECTION 3.** That city water rate revenues are hereby authorized to be the dedicated source of repayment for the Water Supply Revolving Loan Account loan(s).

**SECTION 4.** That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

**SECTION 5.** That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this Ordinance.

**SECTION 6.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.