

RESOLUTION NO. 80-2022

Introduced by Matt Grieves

A RESOLUTION AUTHORIZING THE CITY MANAGER TO APPROVE A GRANT/LOAN APPLICATION SUBMISSION BY THE CITY OF HURON TO THE OHIO WATER DEVELOPMENT AUTHORITY ("OWDA") RELATING TO THE SOUTH MAIN STREET WATER MAIN REPLACEMENT PROJECT


WHEREAS, the City of Huron desires to utilize this opportunity through the OWDA to obtain potential funding to be used for construction expenses relating to the South Main Street Water Main Replacement Project.

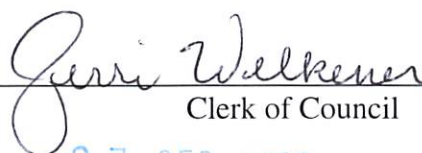
NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HURON, OHIO:

Section 1. That the City Manager is authorized to approve the submission of a loan application to the Ohio Water Development Authority for potential funding to be used for construction expenses relating to the South Main Street Water Main Replacement Project.

Section 2. That this Council hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Council and that all deliberations of this Council and of its Committees, if any, which resulted in formal action, were taken in meetings open to the public in full compliance with applicable legal requirements, including O.R.C. §121.22

Section 3. That this Resolution shall go into effect and be in full force and effect from and after the earliest date allowed by law.


Monty Tapp, Mayor

Attest: 
Clerk of Council

Adopted: 27 SEP 2022





Construction/Planning Loan Application

This form must be completed in its entirety. Failure to do so may result in delay of approval.

1.0 Local Government Agency (LGA) Information

- 1.1 LGA Applicant (County, City, Village, or District): _____
- 1.2 County: _____ 1.3 Date of Application: _____
- 1.4 LGA Population: _____ 1.5 LGA Median Household Income: _____
- 1.6 Communities Served: _____
- 1.7 Population of Area Served: _____

2.0 Project Name and Proposed Loan Terms

- 2.1 Project Name: _____
- 2.2 Loan Amount: 400.00 This field autofills from Page 2
- 2.3 Interest Rate: _____ % *Interest rate used to calculate the annual payment in the Projection of Revenues. Check OWDA website for current rate.*

3.0 Funding Type

- ☒ **Planning/Design Loan** 5 year term with balloon payment at the end of term. Semiannual payments (January 1 and July 1) will be equal to 1/40th of the loan amount. First Payment will be 12 months after loan award. Planning loans are market rate only (no discounts).
- ☐ **Construction Loan** **Requested Term:** _____ years
Minimum 5 year term. Maximum 30 year term.
☐ Equal Payments
☐ Equal Principal Payments **First Payment Date:** _____
The first payment date must occur 12 months after substantial completion for construction loans. If you would like the repayment to begin earlier, please indicate a date. Payments are due semiannually: January 1 and July 1.

For **Construction Loans only**, please consider my application for the following interest rate discounts:

- ☐ **Community Assistance Rate**
To qualify the LGA must have population less than 5,000 or residential users less than 2,000 and a projected annual cost per residential user greater than 1.1% of MHI for Drinking Water, 1.5% of MHI for Wastewater, or 2.6% of MHI for combined system user charge.
- ☒ **Market Rate Discounts (Each discount below represents 12.5% reduction in the contract interest rate at the time of board approval. Maximum of two discounts per project. Maximum 1% total discount.)**

Please indicate which market rate discounts you may qualify:

- ☐ Community has borrowed from OWDA
☐ Community under OEPA Findings & Orders, Consent Decree, documented health risks (copy of documents required)
☐ Connecting to existing treatment system where community does not own system (copy of service agreement required)
☐ Communities purchasing another system (copy of purchase agreement required)
☐ Compliance with a Balanced Growth Plan certified by the State (copy of plan required)

4.0 Project Type

- ☐ Water
☐ Sewer
☐ Stormwater

5.0 Permits Issued

- ☐ EPA Permit to Install # _____
☐ NPDES Permit # _____
☐ Plan Approval Date for Water Projects _____
☐ Permit Not Required

6.0 Project Description

6.1 Project Bid Date: _____ 6.2 Estimated Time of Construction: _____ (months)

6.3 Estimated date that project facilities will be fully operational: _____

6.4 Was the project bid using State of Ohio Prevailing wage? _____

6.5 Project Description: In the box below, please provide a description of the project being completed in this application (such as diameter and length of sewers and waterlines, components of plant expansion or upgrade); the reason for project (such as findings and orders, aging infrastructure, increase capacity, etc.); and a brief description of the existing system.

7.0 Cost Data

Select Other Funding Sources From Dropdown Box Below

| Activities | Click for Dropdown | Click for Dropdown | Click for Dropdown | OWDA Loan | Total Project Cost |
|------------------------------------------------------|---------------------------------------------------------------|--------------------|--------------------|---------------|--------------------|
| 7.1 Technical Services | | | | | |
| Planning | | | | | - |
| Design | | | | | - |
| Land/ROW Acquisition | | | | | - |
| Planning-Design Loan Payoff | | | | | - |
| Administration | | | | | - |
| Construction Management | | | | | - |
| Equipment | | | | | - |
| Force Account | | | | | - |
| Other Technical Services | | | | | - |
| Tech Services Subtotal | - | - | - | - | - |
| 7.2 Construction | | | | | |
| (Please enter Construction Contractor(s) name below) | | | | | |
| | | | | | - |
| | | | | | - |
| | | | | | - |
| | | | | | - |
| | | | | | - |
| Construction Subtotal | - | - | - | - | - |
| 7.3 Other Costs | | | | | |
| Contingency | | | | | - |
| | | | | | - |
| Project Costs Subtotal | - | - | - | - | - |
| Administration Fee | Fee is 0.35% of OWDA total loan amount. Minimum fee of \$400. | | | 400.00 | 400.00 |
| Total Estimated Costs | - | - | - | 400.00 | 400.00 |

For construction loan request, please indicate below if the project has a planning/design loan administered by OWDA. The planning/design loan will be closed once the construction loan is approved. If funds have been disbursed from the planning/design loan, the payoff balance will be rolled into the construction loan. If no funds have been disbursed and planning/design funds are needed, please include a line item for planning and/or design in the construction loan.

Please contact OWDA to obtain a payoff quote.

7.4 OWDA Planning/Design Loan # _____

7.5 Planning/Design Loan Payoff Amount _____

8.0 Source of Pledged Revenues

To obtain a loan from OWDA, the LGA is required to pledge revenues derived from the ownership and operation of their system as payment. The revenues, after deductions for the operating and maintenance and previous debt obligations, must be able to support the repayment of the loan requested. However, unless prohibited by law, the LGA can choose to repay the loan with any of its general resources. (Reference Section 4.1, Paragraph 3 of OWDA Cooperative Agreement).

Please indicate the intended source of loan repayment below. More than one source can be used.

Revenue from:

- ☐ User Charges:
☐ Assessments:
☐ Connection Charges:
☐ Other: Indicate source _____
☐ Other: Indicate source _____

9.0 Revenue Analysis

9.1 Current Revenues (Last Audit Year):

Year

| Range of Use | # of Service Accounts | Total Annual Revenue | Average Annual Revenue per Service Account |
|-----------------|-----------------------|----------------------|--------------------------------------------|
| Residential | | | #DIV/0! |
| Commercial | | | #DIV/0! |
| Industry / Gov. | | | #DIV/0! |
| Other | | | #DIV/0! |
| TOTAL | - | - | |

Total Revenue should reconcile to "User Revenues to System" column on the Projection Schedule

Current Average Monthly Residential User Rate

#DIV/0!

9.2 Projected Revenues for first year following project completion

Year

| Range of Use | # of Service Accounts | Total Annual Revenue | Average Annual Revenue per Service Account |
|-----------------|-----------------------|----------------------|--------------------------------------------|
| Residential | | | #DIV/0! |
| Commercial | | | #DIV/0! |
| Industry / Gov. | | | #DIV/0! |
| Other | | | #DIV/0! |
| TOTAL | - | - | |

Total Revenue should reconcile to "User Revenues to System" column on the Projection Schedule

Projected Average Monthly Residential User Rate

#DIV/0!

9.3 Ten Largest Customers

| Customer | % of Total Revenue |
|----------|--------------------|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

10 Revenue Analysis Continued

10.1 Three-Year Revenue Allocation

Please provide the revenue allocation for 3 years ending with most recent audit.

| Year autofills from Page 3 | 0 | -1 | -2 |
|----------------------------|---|----|----|
| Revenue | - | | |
| Operating Expenses | | | |
| Debt Service Payments | | | |
| Other: | | | |
| Total Expenditures | - | - | - |
| Surplus or Loss | - | - | - |

10.2 Debt Outstanding for System of Project Type (do not include loan being applied for):

| Debt Type | Debt Balance | Annual Payment | Year Loan Term Ends |
|----------------|--------------|----------------|---------------------|
| OWDA/EPA Loans | | | |
| OPWC | | | |
| GO bonds | | | |
| Revenue Bonds | | | |
| USDA-RD Loans | | | |
| Other | | | |
| Other | | | |
| TOTAL | \$ - | \$ - | |

10.3 Future Known Debt Requirements (such as OPWC loans that are not in repayment):

| |
|--|
| |
|--|

11.0 LGA Credit Rating

| | Moody's | S&P |
|--------------------------|---------|-----|
| General Obligation | | |
| Water and Sewer Revenues | | |

12.0 Rate Schedule

12.1 Indicate the year of the last rate increase: _____

12.2 What was the % of increase of the last rate increase? _____

0.00%

12.3 Please describe the planned or already approved rate increases for the next 2 years:

| |
|--|
| |
|--|

13.0 Capital Improvement Plan

13.1 Brief Description of Major Projects:

| |
|--|
| |
|--|

13.2 Ten Year Capital Improvement Plan:

| Years | Enter Year | #VALUE! | #VALUE! | #VALUE! | #VALUE! | #VALUE! | #VALUE! | #VALUE! | #VALUE! | #VALUE! |
|-------------|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| \$ in 000's | | | | | | | | | | |

14.0 Contact Information

14.1 Authorized Representative to Execute Contracts

Name _____ Title _____
Address _____
City _____, Ohio Zip _____
Telephone _____ Fax _____
Email _____

14.2 Address to Mail Cooperative Agreement (If different than Authorized Representative)

Name _____ Title _____
Address _____
City _____, Ohio Zip _____
Telephone _____ Fax _____
Email _____

14.3 Loan Repayment Invoices

Name _____ Title _____
Address _____
City _____, Ohio Zip _____
Telephone _____ Fax _____
Email _____

14.4 Disbursements - Local Government representative authorized to approve disbursements

Name _____ Title _____
Address _____
City _____, Ohio Zip _____
Telephone _____ Fax _____
Email _____

14.5 Consulting Engineer

Name _____ Title _____
Firm _____
Address _____
City _____, Ohio Zip _____
Telephone _____ Fax _____
Email _____

15.0 Application Check List

- ☐ Application
- ☐ Projection Schedule of Revenues and Expenses
- ☐ Certified copy of Legislation authorizing current rates/tap in fees
- ☐ Current Budget for system pertaining to the project type in application
- ☐ Current fund reports that show revenue and expenses.
- ☐ General Certificate
- ☐ Certified copy of Legislation authorizing the LGA to enter into a Cooperative Agreement with OWDA
- ☐ One original executed Cooperative Agreement.
- ☐ Legal procedural letter signed by the Solicitor or Law Director
- ☐ Copy of Consent Order, Findings & Orders, Health Risk Documentation if applicable
- ☐ If Applicant is a regional water and sewer district, a certified copy of the final court order declaring the district to be organized.
- ☐ If Applicant is using special assessments to cover any portion of the OWDA loan payments, attach a certified statement from the legal officer stating the status of the assessment proceedings, resolutions or ordinances, and notices.
- ☐ Construction Loan Requirements: Bid tabs are required.
Detailed estimate for Equipment and Force Account
Engineering Agreement if engineering costs are included in the loan.
- ☐ Planning & Design Loan Requirements: Copy of Engineering Agreement

16.0 Preparer Information

This Application Submitted by (Name & Title) : _____

Signature: _____

Date: _____ Telephone Number: _____

17.0 Authorized Representative Approval

To the best of my knowledge and belief, the information contained in this application is true and correct. The application has been duly authorized by the governing body of the applicant and the applicant will maintain compliance with all the laws, rules, executive orders and policies pertaining to the OWDA loan program.

Authorized Representative _____

Title _____

Signature: _____ Date: _____

Projection of Revenues and Expenses of the System

LGA Name: _____
Project Name: 0 _____

Click on applicable system below:
☒ Sewer ☐ Water ☐ Storm Sewer Fund

| Year | User Revenues to System | Operations & Maintenance | Debt Service paid from Revenues to the System | | | | | | OWDA New Loan Repayment | Total Expense to the System | Annual Surplus | Cumulative Surplus |
|---------------------------------------------------------------------------------------------|-------------------------|--------------------------|-----------------------------------------------|------------|------------|---------------|------------------------------------------------|-------|--------------------------------------------------------------------|-----------------------------|----------------|--------------------|
| | | | Existing OWDA & OEPA Loans | OPWC Loans | USDA Loans | Revenue Bonds | General Obligation paid with Revenue to System | Other | | | | |
| Year and revenue autofills from Section 10.0 "Current Revenues (Last Audit Year)" on Page 3 | | | | | | | | | Indicate previous year carryover surplus in the Cumulative Surplus | | - | |
| 0 | - | | | | | | | | | - | - | - |
| 1 | | | | | | | | | | - | - | - |
| 2 | | | | | | | | | | - | - | - |
| 3 | | | | | | | | | | - | - | - |
| 4 | | | | | | | | | | - | - | - |
| 5 | | | | | | | | | | - | - | - |
| 6 | | | | | | | | | | - | - | - |
| 7 | | | | | | | | | | - | - | - |
| 8 | | | | | | | | | | - | - | - |
| 9 | | | | | | | | | | - | - | - |
| 10 | | | | | | | | | | - | - | - |
| 11 | | | | | | | | | | - | - | - |
| 12 | | | | | | | | | | - | - | - |
| 13 | | | | | | | | | | - | - | - |
| 14 | | | | | | | | | | - | - | - |
| 15 | | | | | | | | | | - | - | - |
| 16 | | | | | | | | | | - | - | - |
| 17 | | | | | | | | | | - | - | - |
| 18 | | | | | | | | | | - | - | - |
| 19 | | | | | | | | | | - | - | - |
| 20 | | | | | | | | | | - | - | - |
| 21 | | | | | | | | | | - | - | - |
| 22 | | | | | | | | | | - | - | - |
| 23 | | | | | | | | | | - | - | - |
| 24 | | | | | | | | | | - | - | - |
| 25 | | | | | | | | | | - | - | - |
| 26 | | | | | | | | | | - | - | - |
| 27 | | | | | | | | | | - | - | - |
| 28 | | | | | | | | | | - | - | - |
| 29 | | | | | | | | | | - | - | - |
| 30 | | | | | | | | | | - | - | - |
| 31 | | | | | | | | | | - | - | - |
| 32 | | | | | | | | | | - | - | - |

Signature of Preparer: _____

Date: _____

Signature of LGA Fiscal Officer: _____

Date: _____

NOTES: