

THE TEN (10) ITEM NARRATIVE FOR DISTRICT 17

LOAN ASSISTANCE/CREDIT ENHANCEMENT

AND HOW IT RELATES TO SCORING

The following narrative responses is for District 17 Public Works Integrating Committee. These narrative items are found in section 164.06 of the Ohio Revised Code and are required by District 17 to be included in application. These factors are also the basis of the District 17 Ranking Criteria and the information provided below may determine the number of points received.

Water Resource Recovery Facility Improvements Village of Ashville, Ohio

1. **Address the infrastructure repair and replacement needs of the district. How does the project impact the infrastructure repair/replacement needs of the district? If this is entirely new infrastructure please show as N/A.**
 - a. This project will directly impact **1,598 households, 122 businesses and approximately 4,097 people** in the Village of Ashville **<Attachment 1>**.
 - b. The Village's CIR has designated this project as the **#1 Priority**. Planning and design of this project has been ongoing since 2011 **<Attachment 2>**.
2. **Address the age and condition of the system to be repaired or replaced. (See the District 17 Ranking Guide for specific instructions and the list of condition definitions.)**
 - a. The existing Wastewater Treatment Facility is 52 Years Old and its Condition is **CRITICAL**. **Ohio EPA has issued "Director's Final Findings and Orders"****<Attachment 3>** for past and current pollution violations; therefore, these improvements are **MANDATED**.
 - b. Condition Criteria ---- **CRITICAL <Attachment 4>**
 - c. Age of the Facility = **52 Years <Attachment 4>**
 - d. Last Major Improvement =**1993 <Attachment 4>**
3. **Discuss whether the project would generate revenue in the form of user fees or assessments.**
 - a. Ashville currently has both a water and sewer rate (user fees) structure in place **<Attachment 5>**.
 - b. Based on 4,500 gallons per month, Ashville's combined water/sewer rate is \$52.29 **<Attachment 5>**.
 - c. In order to repay both the OPWC and OWDA loans, Ashville's sewer rates (user fees) will need to be increased accordingly.
4. **Discuss the importance of the project to the health and safety of citizens of the district. For example, have there been EPA mandates or has the road had a high number of accidents? If there is a danger posed to the public should this not be awarded funding, please describe in what way.**
 - a. The Village was issued **Ohio EPA Director's Final "Findings and Orders"** for past and current violations of their NPDES permit. Therefore, this project directly addresses Health and Safety issues impacting not only the Village of Ashville, but those people, businesses, and communities downstream **<Attachment 3>**.

Village of Ashville 10 Item Narrative Continued

5. **Ranking Criteria 144-This score is totally subjective and depends upon a good description of the problem along with photos. Don't assume that we know what your road looks like or what problems you are having at the water plant. Make a good case for the health and safety issues.**
 - a. Aging infrastructure that is in service well beyond its useful life is a problem confronting many communities. Ashville's existing wastewater facility is exactly such a case. It is **52 years old** and needs replaced. The facility has both **obsolete equipment** and/or **non-functioning equipment** that makes current operations nearly impossible. The Village was in the process of proceeding with major improvements when Ohio EPA stepped in and issued the health and safety mandate for scheduled improvements. Since the current facility is north of a floodplain and north of the current facility is a residential area, expansion of the current site was not viable. This is a much needed project which will service the Village of Ashville for the next 30 years **<Attachment 6>**.
6. **Discuss the cost of the project and whether it is consistent with division (G) of section 164.05 of the Revised Code and the district's allocation for grants, loans, and local debt support and credit enhancements for the year.**
 - a. Ashville's OPWC request is for both grant and loan funding.
 - b. Total amount requested is \$1,000,000 **<Attachment 7>**.
 - o \$500,000 Grant
 - o \$500,000 Loan
7. **Discuss the effort and ability of the benefited local subdivision to assist in financing the project.**
 - a. Ashville's LOCAL SHARE is **over 96%**
 - o OPWC Loan of \$500,000
 - o OWDA Loan of \$12,044,100
 - b. Local Share = \$12,544,100 **<Attachment 7>**
8. **Discuss the availability of federal or others funds for the project.**
 - a. A **Commitment Letter from Ohio Water Development Authority (OWDA)** is attached to the application **<Attachment 7>**.
 - b. OWDA is the only other funding source.
9. **Discuss the overall economic health of the particular local subdivision.**
 - a. Ashville's MHI = \$51,964 (2010 Census) **<Attachment 8>**
 - b. Pickaway County's **MHI** = \$53,750 (2008 — 2012) **<Attachment 9>**
 - c. Construction of the Water Resource Recovery Facility Improvements will entail temporary construction related jobs. The WRRF will need to hire one (1) Full-Time Class II Operator.

Village of Ashville 10 Item Narrative Continued

10. Discuss the adequacy of planning for the project and the readiness of the applicant to proceed should the project be approved. This narrative should be consistent with the project schedule provided on page 3 (3.0) of the application form, <see Application>.

a. Project Schedule:

- o Planning - Completed
- o Design - Ongoing / 4-30-2015 Completion
- o Land - Acquired
- o Easements - In-Process / 3-30-2015 Completion
- o Bidding - 4-30-2015 to 7-11-2015
- o Funding Source - OWDA Commitment/Finalize in June, 2015
- o Construction - 7-15-2015 to 1-13-2017

b. The Project Schedule is also part of Ashville's Director's Final "Findings and Orders" Consent Decree issued by the Ohio EPA. These dates match up with the schedule agreed to in legal documentation signed by both the Village and Ohio EPA <Attachment 3>.

c. Ashville has received OPWC funding in Rounds 2, 5, 17, 22, and 26. All these projects have been completed with the exception of the Round 26 Project which was recently bid on September 16, 2014 for construction <Attachment 10>.

11. Discuss any other factors relevant to a particular project.

The Village of Ashville has experienced and anticipates future growth and development due to its proximity to Columbus. This proximity resulted in first the Cooperative Economic Development Agreement (CEDA) and two (2) Joint Economic Development Districts (JEDD). The Harrison Township JEDD includes Harrison Township, Columbus, and Pickaway County. The Madison Township JEDD includes Madison Township, Columbus, and Pickaway County. The Harrison Township JEDD resulted in the creation of the Rickenbacker Intermodal, an inlet port <Attachment 11>.

The Water Resource Recovery Facility Improvements Project will be a major asset for the Village in accommodating that growth and development in a positive manner with regards to the area's health, safety, and welfare. This is reflected in the Harrison Township, South Bloomfield, Ashville, and Pickaway County Land Use Plan <Attachment 12>.

\$10.28 million for 30 years at 2.56% interest, this would generate an annual payment of \$493,015 divided by 12 months x 18 month construction period = \$739,522.55 paid during the period. Assuming 0% interest during the same period, your payment would be \$10.28 million for 30 years at 0% interest with an annual payment of \$342,667 divided by 12 months x 18 month construction period = \$225,522.05. The difference in these two amounts (\$1,191,453 - \$828,111=\$363,342 is interest during the 18 month period.

Therefore, your loan assistance amount would be \$225,522 during the 18 month period.