

**State of Ohio**

**Drinking Water Assistance Fund**

**Annual Report**

**Program Year 2007**

to U.S. EPA, REGION V

**September 18, 2007**

**Prepared by:**  
**The OHIO ENVIRONMENTAL PROTECTION AGENCY**  
**Division of Drinking and Ground Waters**  
**Division of Environmental and Financial Assistance**  
**and the**  
**OHIO WATER DEVELOPMENT AUTHORITY**

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## **I. Introduction**

The State of Ohio is pleased to submit this Annual Report on Ohio's drinking water state revolving fund, the Drinking Water Assistance Fund, for Program Year (PY) 2007. This Report addresses operation of the Drinking Water Assistance Fund during the time period from July 1, 2006 through June 30, 2007. During that time, Ohio was awarded the 2005 capitalization grant.

Ohio EPA provides this report detailing the activities undertaken to reach the goals and objectives set forth in the Program Management Plans developed for PY 2007. This report documents the status of the program by; describing progress made toward long- and short-term program goals, the sources (e.g., federal grants) and uses of all funds (e.g., loans, set-asides), financial status of the Drinking Water Assistance Fund, and compliance with federal Drinking Water State Revolving Fund requirements.

### **Ohio Drinking Water Assistance Fund - PY 2007 OVERVIEW**

**Total Capitalization Received: \$24,671,000**

**Number of Projects Binding Commitments: 28**

**Number of Supplemental Loans: 2**

**Project Funding Binding Commitments: \$65,110,969.90**

**Average Interest Rate: 2.68 percent, w/o 5 yr. Loans**

**Small Systems Funded: 22 loans for \$38,996,742.90**

## II. Goals and Accomplishments

The long term goals for this program were established to allow the best use of funds available from each capitalization grant to assist water supply systems in meeting their goals in providing safe water to the people of Ohio and continue operation of a revolving fund capable of providing low interest loans to these water systems on a continuing basis. Our short term goals were aimed at providing the infrastructure necessary to implement the Drinking Water Assistance Fund (DWAF), identification of public water systems most in need of loan assistance, and providing a means for such systems to avail themselves of the loan program. The reporting period for this report is July 1, 2006 through June 30, 2007.

### A. Progress Toward Long Term Goals

- 1. Maximize below-market rate loans to eligible public water systems to fund improvements to eliminate public health threats and ensure compliance with federal and state drinking water laws and regulations;***

***Progress Toward Long Term Goal #1:*** During the 2007 program year, there were twenty-eight binding loan commitments totaling \$ 65,110,969.90. Of these twenty-eight, twenty-seven served unique public water systems. An unprecedented twenty-two out of the twenty-eight loans served a population of 10,000 or less. The twenty-two loans and one supplemental loan to small systems accounted for \$38,996,742.90, which is 60% of the funds awarded, 45% above the minimum 15% required for small systems annually.

Many of the twenty-eight binding loan commitments addressed multiple needs. The projects are described below by components addressed.

<b>Project Type by Needs Code</b>	<b>Number of Loans</b>
Planning and Design	1
Distribution and Transmission Lines	11
Storage	4
Treatment/Plant	10
Source	2

As of July 1, 2006, the state anticipated having a total fund amount of \$147,228,481 for PY 2007 and opted to make \$65,000,000 available from the fund for loans during the program year. Funds composition included all or parts of previously obtained and newly available capitalization grants, the required state match for each capitalization grant and proceeds from bonds and bond anticipation notes.

- 2. Target technical assistance to public water systems serving 10,000 or fewer people with a technical assistance program provided by funds from the technical assistance set-aside account;***

**Progress Toward Long Term Goal #2.** Great Lakes Rural Community Assistance Program (RCAP)/WSOS continued to provide managerial and financial assistance to public water systems with populations of 10,000 or fewer. Capability assurance technical assistance focused on financial management of systems. Three types of training sessions were held for water boards, mayors, city councils, and operators. The first course was "Utility Management for Local Officials" (5 sessions), the second; "Financial Management for Local Officials" (5 sessions) and the third; "Asset Management for Local Officials," (6 sessions). Sixteen total courses were held, with 564 attendees. Each one day training session addressed issues related to: utility planning, identifying both direct and indirect O&M costs, developing budgets, cost recovery, types of financing resources, financial plan development and marketing utility products and services to customers. Copies of templates for spreadsheets of asset management were provided to each attendee on a CD, along with a hard copy of material covered in the session. An additional course covering "Setting Water and Sewer Rates" was given at the Ohio Auditor's Conference, with 83 attendees. This course will become number four in the series during PY2008.

A summary of activities for Great Lakes RCAP during PY 2007 are as follows:

- § One Planning and Design application completed.
- § One Construction Loan application completed.
- § Nine pre-applications for the PPL completed.
- § Six hardship loan applications completed.
- § There were 14 potential loans in progress at the end of PY2007.
- § Three systems were assisted with meeting state and other cross-cutting requirements.
- § Thirteen systems were assisted in procurement of funding through various sources in addition to the DWSRF.
- § Seven systems were aided in selecting the most cost effective and affordable option to obtain safe drinking water.
- § Twelve systems requesting assistance in making readiness to proceed decisions.
- § Seventeen training sessions on financial and managerial issues for water officials were held with 647 attendees.

#### NEDO Small Systems Coordinator

The Compliance Assurance Coordinator position was continued during part of PY2007. This field agent provides technical assistance to water systems serving 250 or fewer customers. Activities undertaken include presenting educational programs to County Health Departments and providing assistance to local systems on public health based issues using the water use advisory list, significant non-compliance, and ground water under the influence of surface water lists. A primary goal was removal of systems with long-term boil advisories (>8 weeks). A secondary focus was working with public water systems that have multiple monitoring and reporting violations in consecutive quarters using the violation database as a reference. Additional duties include visiting individual water systems to provide training and direction, and providing assistance with sample siting plans, contingency plans, detail plan process, consumer confidence reports, and corrosion control recommendations. A formalized monthly report to Central Office, detailing actions

taken under set-aside activities by our NEDO operative, was provided during this reporting period. This position ended in January 2007 when the field operative took another position. Ohio EPA is evaluating the effectiveness of the position and determining if the position will be rehired during PY 2008.

A summary of activities for the Compliance Assurance Coordinator during PY 2007 are, as follows:

- \$ 9 technical assistance site visits, 20 follow up visits, 11 complaint investigations
- \$ 140 technical assistance communications
- \$ 195 phone contacts with the general public
- \$ 8 boil advisories added, 5 were resolved at year end

**3. Provide financial assistance for completing source water assessments and wellhead protection plans (delineation, inventory, susceptibility analysis and distribution of assessment information) with funds from the wellhead protection set-aside account to promote locally developed source water protection plans;**

**Progress Toward Long Term Goal #3.** Ohio EPA utilized the Wellhead Protection Set-aside to fund activities during PY 2007. Ohio EPA funded 11 full time equivalent staff and 2 part time interns to support implementation of the wellhead protection and source water assessment activities specified in Ohio=s DW SRF Intended Use Plan for PY 2007. The specific goals and objectives for the Source Water Assessment and Protection Program / Wellhead Protection Program for PY2007 were as follows:

1. Complete source water assessments for new public water systems;
2. Refine delineations in potential karst/shallow fractured bedrock hydrogeologic settings;
3. Assess and conduct ground water quality investigations to evaluate potential contaminant sources impacting source water quality for water systems with contaminant concentrations near or exceeding a MCL;
4. Encourage and provide direct technical assistance to public water systems in development and implementation of source water protection plans;
5. Conduct general public outreach and education and disseminate source water assessments to public water systems and the public via a secure web site;
6. Document local source water protection implementation strategies through development of a tracking survey;
7. Collaborate with State environmental programs to develop and implement source water protection strategies; and

8. Provide general program support activities for staff.

The Agency has completed source water assessment reports for all public water systems, except for recently activated public water systems. During PY 2007, Ohio EPA completed 85 final source water assessment reports. Throughout PY 2007, the program has focused on promoting protective strategies, refining delineation criteria and re-delineating wellfields in karst geologic settings, developing education and outreach activities, conducting training workshops, providing direct technical assistance to public water system officials and QA/QC of the source water assessment information geographic information system databases. Staff provided on-site assistance to dozens of public water systems in development of local wellhead protection plans and conducted four county or regional protection planning workshops. Fifteen municipal protection plans were reviewed and 13 of these plans were endorsed by the agency. Finally, 56 non-municipal public water systems completed and returned a protective strategy checklist customized for their facility that was sent to them with their source water assessment report, on which they indicated which protective strategies they intend to implement to protect their source of water. As of June 30, 2007, a total of 1,184 such checklists had been received by the Agency.

Based on information submitted to U.S. EPA in October 2006, approximately 37% of all community water systems covering 40% of the population served are considered in substantial implementation under the criteria described in Ohio EPA's program. Updated information will be provided in October 2007 per U.S. EPA's Water is Safe to Drink Strategic Target F - Source Water Protection / Wellhead Protection reporting guidance. A detailed summary of all the program accomplishments is presented in the full DW SRF Wellhead Protection Set-Aside Annual Report, Program Year 2007.

**3. *Improve the types and quantity of small and disadvantaged community assistance to reduce the financial impact of capital improvement projects on smaller systems and systems serving less affluent populations;***

***Progress Toward Long Term Goal #4.*** Ohio started implementation for our new disadvantaged community assistance program during PY2007. The rules were finalized during October 2006 and the remainder of the year was spent preparing fact sheets and educating the public on the new program. The first disadvantaged community designation applications were due on March 15, 2007. Ten systems qualified for disadvantaged assistance for PY 2008.

During PY 2007, small systems were evaluated and received affordability points based on a ratio of median household income and water rates, and were eligible for a 2% loan. A 2% loan is often used in coordination with other grant/loan programs.

**4. *Promote the development of the technical, managerial and financial capability of public water systems to maintain compliance with the state and federal SDWA requirements, and Ohio's Capacity Assurance Program***

***Progress Toward Long Term Goal #5.*** Ohio has implemented the Capacity Assurance

Program as required in the SDWA for all new systems and all recipients of WSRLA assistance. Rules to implement this program became effective October 1, 1999. The Agency has also developed a guidance document to assist systems in the development of an approvable Capacity Assurance Plan. This guidance became final on September 25, 2000.

The Agency must ensure that each public water system (PWS) that receives a WSRLA loan can demonstrate technical, managerial, and financial capacity. WSRLA funds cannot be used to provide any type of assistance to a PWS that lacks the technical, managerial, or financial capability to maintain SDWA compliance, unless the PWS owner agrees to implement feasible and appropriate changes in operation and maintenance practices, and in the financial management of the system. All 27 systems that received loan award during program year 2007 completed a capacity assurance plan that was evaluated by district and central office personnel from the Division of Drinking and Ground Waters and planners from the Division of Environmental and Financial Assistance. For further information on accomplishments of the capability assurance program during this program year, please see the *SFY2007 Capability Assurance Report*.

Ohio EPA provides additional assistance to all potential loan recipients with populations of 10,000 or fewer in the completion of a Capacity Assurance Plan. Ohio RCAP, program provider of financial and managerial assistance through the Small Systems Technical Assistance Program, assisted in the development of these plans for eligible small systems. For further information on how many systems RCAP has provided help during this program year, please see the *Program Year 2007 Small Systems Technical Assistance Set-aside Report*.

During 2007, four new public water systems completed a capacity assurance plan. Plans for new systems are evaluated by both central and district office personnel from the Division of Drinking and Ground Waters before being accepted.

During program year 2007, Ohio EPA revised the sanitary survey process which includes more capability related questions and a new Capability Assurance Evaluation Form. During PY 2007, seventy-two Capability Assurance Evaluation Forms were completed during the pilot of the new sanitary survey process and results were tracked. The pilot and full implementation will give us additional information necessary before proceeding with the revised capability assurance rules which includes a new requirement to address existing systems. Ohio will work to update the capability assurance guidance and continue to work with the implementation efforts of the new sanitary survey process and then reevaluate moving forward with rule revisions that will affect existing systems.

Through the currently enacted rules, guidance document, and additional assistance provided to eligible small systems, Ohio EPA is able to ensure that each WSRLA loan recipient demonstrates capacity assurance. As discussed we are currently beginning implementation of measures to ensure all new, existing and loan systems demonstrate this capability.

- 5. Fund the construction of extensions of public water systems, or if extensions are not economically feasible, the construction of new public water systems to address pockets of contaminated private water systems;**

**Progress Toward Long Term Goal #6.** During PY 2007, Ohio funded six systems for extensions to provide safe water to wells with contamination. The loans were awarded to Kent for the Franklin Hills area, Muskingum County for the Nashport area and separately for the Adamsville/TriValley School area, Guernsey County, Ottawa County for the South Bass Island area, and Old Straitsville Water Association. The total of these six loans is \$3,363,399.30.

- 6. Encourage the consolidation and/or regionalization of small public water systems to allow them to take advantage of the economies of scale available to larger water systems;**

**Progress Toward Long Term Goal #7.** During PY 2007, Ohio funded two projects which consolidated smaller public water systems. The two loans were awarded to Guernsey County which tied in a restaurant, church and school, and Muskingum County-Adamsville/Tri-Valley School which tied in a school. The total of the two loans is \$1,135,561.

## **B. Progress Toward Short-Term Goals**

- 1. Continue implementation of the Drinking Water Assistance Fund as an ongoing environmental assistance program. Subsequent years will more fully develop the capabilities of the Drinking Water Assistance Fund in development and implementation of source water protection, and assistance for disadvantaged system improvements.***

***Progress Toward Short Term Goal #1.*** The agency made progress in establishing the Drinking Water Assistance Fund as an effective environmental assistance program in Ohio. For the WSRLA this program year, this includes obligation of substantial portions of the available capitalization grants and state match funds. Extensive work was completed in both the source water protection program and implementing the new disadvantaged community program. See Long Term Goals #3 and #4 for more detailed information.

- 2. Provide opportunities for meaningful public involvement in DWAF continuing implementation by public notification of the Intended Use Plan/Management Plan, Project Priority List, and hosting two public meetings per program year.***

***Progress Toward Short Term Goal #2.*** When seeking approval for each Management and Intended Use Plan, public notifications are sent to twelve statewide newspapers and a list of interested parties indicating that a new plan is available for review. Draft plans may be obtained from Central Office by phone request, in person at Central Office and via the Ohio EPA website. For PY 2007 the draft plans were made available on May 5, 2006 for 30 days. Then two public meetings were held on June 6, 2006 to receive public comments from the public and water system stakeholders. In addition, written comments were also accepted during the public comment period. During the public comment period representatives from four of the public water systems submitted comments on the draft 2007 project priority list. Comments were received from Burr Oak Water System, City of Wooster, City of Canton and City of Oberlin. Some changes to the loan amount requested, description of project and date of funds needed occurred with some of the projects. None of the changes will result in a loss of funds to other systems on the draft project priority list.

The Drinking Water Advisory Committee (DWAC) was formed September 19, 2001 to help strengthen the division's drinking and ground waters programs through valuable and independent input from stakeholders. DWAC maintains between 15-20 members representing a balanced, cross-section of civic and environmental groups that have an interest in drinking water programs and issues. The group focuses on providing input on rule development, assessing and recommending improvements to new and existing programs, and identifying funding alternatives to address state and local funding needs. For PY 2007, our program did not have any issues to discuss at DWAC. However as issues arise in program development, DWAC is one method the state has available to bring issues to the stakeholder to involve them in the decision making process.

- 3. Promote the fund as an effective means to provide financial assistance to systems developing capital improvement projects to address new regulations and are listed by Ohio EPA as a “priority” system.***

***Progress Toward Short Term Goal #3.*** Ohio EPA has promoted the use of WSRLA funds to meet the above goals by:

- ! Use of the WSRLA program is promoted by Ohio EPA District Office personnel. As water systems are identified that may need to replace or upgrade their equipment to meet one of the new rules, the WSRLA program is marketed to them as a means of obtaining funds to meet compliance requirements.
- ! Ohio EPA has placed information on the agency website so that all water systems can be familiar with the requirements of these new rules. Links have also been created from the Ohio EPA website, to the USEPA website, where additional fact sheets are available.
- ! The technical assistance providers used by Ohio EPA have been promoting the use of WSRLA funds as they identify water systems with compliance and infrastructure needs. They have also been distributing fact sheets, pre-applications and additional technical assistance, as needed.
- ! Ohio EPA gave multiple presentations to drinking water system personnel who attended workshops sponsored by the Operator Training Committee of Ohio, Ohio American Water Works Association and Water One Association. During PY 2007, Ohio EPA presented to approximately 2,000 water system personnel in multiple training sessions/workshops.

- 4. Finalize disadvantaged community rules for the Ohio DWAF Program during the 2007 Program Year and begin implementation.***

***Progress Toward Short Term Goal #4.*** The rules were finalized and implemented on October 1, 2006. Implementation of the disadvantaged community program started during PY 2007. The first application deadline occurred in PY2007 and funding is available to systems designated as disadvantaged during PY2008.

## **C. Outputs and Outcomes for PY 2007**

- 1. Output:** The State funded eleven drinking water transmission/distribution loans in PY 2007 to construct/rehabilitate/upgrade drinking water transmission and distribution systems across the State. The total dollar amount for transmission/distribution related projects is \$16,454,017.

**Outcome:** The funding of these projects will result in more people getting better drinking water from current and existing treatment systems across the State.

- 2. Output:** The State funded ten drinking water treatment projects in PY 2007 to construct and/or rehabilitate drinking water treatment facilities across the State. The total dollar amount for treatment related projects is \$24,068,164.

**Outcome:** The funding of these projects will result in better drinking water for thousands of people across the State and, upon completion of the projects, facilities that meet all applicable permits and SDWA requirements.

- 3. Output:** The State funded four drinking water storage projects in PY 2007 to construct and/or rehabilitate drinking water storage facilities across the State. The total dollar amount for storage related projects is \$11,695,156.

**Outcome:** The funding of these projects will result in better drinking water for thousands of people across the State and, upon completion of the projects, storage facilities that meet all applicable permits and SDWA requirements.

- 4. Output:** The State funded two drinking water source projects in PY 2007 to construct and/or rehabilitate drinking water sources across the State. The total dollar amount for source related projects is \$12,438,850.

**Outcome:** The funding of these projects will result in better drinking water and source water that meet all applicable permits and SDWA requirements.

- 5. Output:** The State funded one planning and design loan project during PY 2007 for future improvements across the State. The total dollar amount for the planning and design related project is \$454,783.

**Outcome:** The funding of this project will result in planning and design for future construction projects in the State.

### **III. Drinking Water Assistance Fund: Loan and Set-Aside Activities**

In this section we provide a discussion of the Drinking Water Assistance Fund assistance activities during PY 2007. We provide details on the sources of funding in our program, the status of loan activities, and the status of set-aside activities.

#### **A. Sources of Funding for the Drinking Water Assistance Fund**

The binding commitments from the Drinking Water Assistance Fund program in this reporting period totaled \$65,110,969.90 (see Table 9). Since the program's inception, federal capitalization grants, state match funds, and leveraged bond proceeds have been the major sources of funding. The sources of Drinking Water Assistance Fund funding during the reporting period are described below.

##### **1. Capitalization Grants**

Prior to Program Year 2007, Ohio EPA had received seven (7) capitalization grants totaling \$239,086,500 from USEPA. During Program Year 2007, one (1) capitalization grant was received (September 2007) totaling \$24,671,000. Thus, the total capitalization grant funds received through the end of Program Year 2007 was \$263,757,500 (see Table 2).

Please refer to Table 3, A Set-aside Balances and Expected Capitalization Grant Funding, attached to this report, regarding the remaining grant balances in the set-aside accounts.

##### **2. State Match**

The State of Ohio is required to match all federal capitalization grants with a state match of at least 20%. Since the inception of the DWAF program, the state matching funds have been provided from a number of sources including: the Ohio Water Development Authority, 2001 Bond Anticipation Notes, 2002 and 2004 State Match Bond Proceeds, and interest earned on state match accounts.

Table 2 attached to this report provides a breakdown of the match provided to date. The table shows, at the end of the reporting period, the proportion of state match to federal capitalization grants was 29.75%, exceeding the requirement.

##### **3. DWAF Leveraged Revenue Bonds**

No Leveraged Bonds were issued during this reporting period. Bond anticipation notes were issued during program year 2007 (December 2006) in the amount of \$70 million. We anticipate the next leveraged bond issue will be during program year 2008.

During the program year 18 loans were made from DWAF leverage bond proceeds in the amount of \$26,156,931.90.

#### 4. Investment Income

Investment income in the amount of \$7,175,707 was earned during the reporting period.

#### 5. Repayments

During PY 2007, one loan (total binding commitment of \$5,247,302) was awarded utilizing the Repayment Fund. At the end of PY 2007, the Repayment Fund balance of \$22,834,331 was available to be used for loans as needed to meet our project demand.

### B. Uses of Funds under the Drinking Water Assistance Fund

The Drinking Water Assistance Fund has provided \$539,506,174 in loans to public water systems since its inception. The program has set-aside \$30,723,704 for activities which include Administration, Source Water Assessment, Small Community Technical Assistance and Wellhead Protection.

#### 1. Loan Assistance Status

The Drinking Water Assistance Fund entered into 28 loan agreements and 2 supplemental loan agreements totaling \$65,110,969.90 during the 2007 program year. The loans range in size from \$46,009 to \$11,700,000. The term for all construction loans was 20 years. The loan term for one design loan was 5 years with the requirement that it be repaid immediately upon the receipt of financing for construction. The overall rate of return for the long term loans (i.e. excluding the short-term planning/design loans) is an interest rate of approximately 2.68% (see Table 1 below).

**Table 1. Interest Rates and Overall Rate of Return\***

<b>Number Loans</b>	<b>Loan Amount</b>	<b>Rate</b>	<b>Annual Interest</b>
15**	\$25,513,653.30	2.00%	\$273,422.25
5	\$10,592,465.60	2.75%	\$162,473.75
3	\$2,890,624.00	2.84%	\$45,908.75
7	\$26,114,227.00	3.25%	\$480,226.10
<b>30</b>	<b>\$65,110,969.90</b>	<b>2.68%</b>	<b>\$962,030.85</b>

\* Calculation for overall rate of return excludes the short-term (5 year) loans.

\*\* Includes (1) 5 year loan, which is excluded from calculation.

During PY 2007, a total of 28 loans and 2 supplemental loans were awarded from the WSRLA, for a total dollar amount of \$65,110,969.90. The average loan amount was \$2,170,365.66. However, this average is probably skewed due to three relatively large loans awarded to the City=s of Cleveland and Chardon, and the Buckeye Water District (see Table 9). The remaining 27 loans averaged \$1,496,692.70. Loan awards to large communities (>10,000) were limited to the proportionate share of

10% of the available annual funds, which for PY 2007 was \$6,500,000.

**a. Binding Commitments**

During the reporting period, the Ohio EPA entered into binding commitments totaling \$65,110,969.90. Of that amount, \$103,401 was from state matching funds, \$26,156,931.90 was from leveraged bond proceeds, \$33,603,335 was from capitalization grant funds, and \$5,247,302 was from repayment funds. This brings the total binding commitments from the federal capitalization grants to \$243,096,206.13, state match \$78,369,799.53, leverage bond proceeds \$212,823,806.94, and repayments fund \$5,705,954.

**b. Project Bypass**

During the initial years of the WSRLA, projects were bypassed, because applicants were at various stages in the WSRLA loan process. Some of the projects that were ranked lower were further along in the loan process. In addition, many of the higher ranked projects were small systems and we have found that the WSRLA is the loan program of last resort for some of these systems. These smaller systems look for the most affordable available funding first, then the next most affordable, etc. Sometimes the WSRLA is the 3<sup>rd</sup> or 4<sup>th</sup> funding option for these systems.

Projects may be bypassed due to (1) withdrawal of the project by the applicant, (2) the applicant's inability to meet the WSRLA requirements or (3) lack of readiness to proceed. Examples of an applicant not being ready to proceed are: lack of timely progress in completing the assistance application process, or failure to develop an approvable and implementable project. A project may also be bypassed if the loan award is projected to be delayed beyond the end of the program year. Additionally, projects in the fundable category may be bypassed as a result of the inclusion, during the program year, of fundable emergency projects as described in the Program Management Plan.

Funds available through bypassing may be awarded to qualifying projects in keeping with the loan award procedures established in the Program Management Plan.

Ohio EPA will work with bypassed applicants to ensure funding eligibility in following program years to the maximum extent possible. Projects bypassed during the program year may retain their relative PPL ranking and be considered for funding during the next program year in which they are anticipated to be ready to proceed. Those projects' relative PPL ranking will be in accordance with the Project Priority Ranking System in effect at that time.

### **c. Small Systems**

During PY2007, the Drinking Water Assistance Fund awarded a total of 28 loans and 2 supplemental loans. Of the twenty-eight loans, twenty-two loans and one supplemental loan were awarded to small water systems serving a population of 10,000 or fewer. A total of \$38,996,742.90 was awarded to small systems during PY 2007. During PY 2007, 60% of funds made available were awarded to small communities with a cumulative percentage of 16.65% (see Table 5) awarded to small communities since program inception.

### **d. Disbursements**

Since the beginning of the program through this reporting period, the total disbursements from the DWAF were \$447,441,866. This total includes the total WSRLA disbursements of \$425,108,442 and the total set-aside disbursements of \$22,333,424. Table 4, titled, WSRLA - Loan Disbursements, identifies the disbursements made from the state match account and the revolving loan account.

### **e. Status of the Top 10 Systems on the PPL**

1. Mount Vernon- Project was delayed past the 2007 program year but was ultimately self funded in September 2007.
2. Vanlue- Project has failed to proceed, currently on the PY 2008 PPL.
3. Clayton- Project was self funded during PY 2007.
4. Beaver Creek Estates- System has not proceeded with upgrades to date. Project is on the PY 2008 PPL.
5. Aberdeen- Project was delayed during PY 2007, meter project is projected for award through the SRF during October 2007.
6. Ottawa County Commissioners- This project was funded during PY 2007.
7. Put-in-Bay- This project was funded outside of the SRF during PY 2007.
8. Burr Oak- This project has not been funded to date. The project is on the PY 2008 PPL, but intends to receive funding from USDA Rural Development at this time. They will stay on the PPL as a back up.
9. Tri-County Rural Water and Sewer District- This project has been on the PPL for multiple years and has not made any progress in moving forward. Project was not funded during PY 2007 and is not included on the PY 2008 PPL.
10. Manchester Farms Water Association- Project did not proceed during PY 2007. Project did not reapply for inclusion on PY 2008 PPL.

One project in the top ten received funding through the SRF during PY 2007. Three projects were funded outside of the SRF, and one project will be funded in October 2007 from the SRF during PY 2008. Three other projects have reapplied for inclusion on the PY 2008 PPL and hope to be funded by the end of the program year.

## **2. Set-Aside Activity Status**

### **a. Administration**

Funds from this set-aside were used to pay salaries and associated expenses of personnel administering the Drinking Water Assistance Fund program. Ohio EPA currently collects administrative fees from loan recipients. Administrative fees collected are deposited into the Administrative Account which also contains the set-aside. Ohio EPA requires a loan origination fee of 1.0% of the principal of each loan originated from the WSRLA. In addition, OWDA requires a fee of 0.35% of the principal of the loan amount. The OWDA fees are also deposited into the Administrative Account to be utilized by the OWDA for administrative costs related to the program. Fees deposited into the Administrative Account must be used solely to defray the costs of administering the program. These fees are due at the time of the loan award. Administrative funds that remain in the account at the conclusion of the program year remain in the account to address program administrative costs in subsequent program years.

Implementation of the Drinking Water Assistance Fund has involved the budgeting of 16.0 FTEs B 12.0 with the Division of Drinking and Ground Waters, and 4.0 with the Division of Environmental and Financial Assistance. During the past year of the program, Ohio EPA has completed the following administrative activities:

- Development of program documents
- Development of program procedures
- Solicitation of applications
- Development of comprehensive list of projects
- Evaluation of public water systems for technical, financial, and managerial capacity
- Project selection and development of IUPs
- Development of set-aside work plans
- Conduct public meetings for development of project priority lists and IUPs
- Preparation of capitalization grant applications
- Bonding for state match creation
- Oversight/implementation of Small Systems Technical Program implementation

### **b. Small Systems Technical Assistance**

Please see the *PY2007 Small Systems Technical Assistance Set-aside Report* for further detailed information.

**c. Wellhead Protection Program**

Please see the *PY2007 Wellhead Protection Set-aside Report* for further detailed information.

**d. Capacity Development Program**

Please see the *PY2007 Capability Assurance Report* for further detailed information.

## **IV. FINANCIAL SUMMARY**

The following discussion provides additional details on the financial management activities in the Drinking Water Assistance Fund.

### **A. Status of Loans**

The Drinking Water Assistance Fund has entered into binding commitments for \$65,110,969.90 during the reporting period. Table 9, "Binding Commitments in PY 2007" shows the status of all Drinking Water Assistance Fund loans awarded during the reporting period. Information includes the following: water system name, project description, loan number, date of loan award, loan amount, interest rate and term, and the population served.

### **B. Loan Disbursements/Cash Draw Proportionality**

The WSRLA has made \$89,709,699 in disbursements during the reporting period. Of that amount, \$53,015,871.21 was disbursed from leveraged bond proceeds, \$149,750.44 was from the state match account, \$34,885,803.65 was from the revolving loan account (federal capitalization grant funds), and \$1,658,273.68 was disbursed from other accounts. Quarterly disbursements of state matching funds and capitalization grant funds are illustrated in Table 4. We are using the rolling average method to determine federal/state proportionality as provided in 40 CFR Part 35 subpart L, subsection 35.3560(g).

### **C. Set-Aside Disbursements**

Total set-aside disbursements from the program's inception equal \$22,333,424. The remaining set-aside balances are illustrated in Table 3 "Summary of Funds Available", attached to this report.

### **D. Annual Repayment/Aging of Accounts**

Please refer to Section III. A. 5. of this report regarding the amount of repayments and their future intended use.

### **E. Investments**

Please refer to Section III. A. 4. of this report regarding the amount of investment income.

### **F. Financial Statements**

The Ohio Water Development Authority, our partner in administering the DWAF, is audited annually on a calendar year basis. The DWAF is included in that audit. The annual audit reports, including financial statements, are forwarded to U.S. EPA upon their release by the Auditor, State of Ohio. Financial Statements (Tables 6, 7, 8) for Program Year 2007 including a balance sheet, statement of cash flows and statement of revenues, expenses and changes in net assets are attached.

## **V. COMPLIANCE WITH OPERATING AGREEMENT AND GRANT CONDITIONS**

The Ohio EPA agreed to administer the Drinking Water Assistance Fund in accordance with conditions outlined in the Grant Agreements and the Operating Agreement (July 1998). The following conditions have been met as described in the operating agreement or the capitalization grant agreement and will not be described further:

- Agreement to accept payments
- Follow state laws and procedures
- Follow state accounting and auditing procedures
- Recipient accounting procedures using GAAP and auditing procedures using GAGAS
- Use of the ASAP
- Preparation of Project Priority List and Intended Use Plan annually
- Through the Ohio Water Development Authority, establish and maintain designated Drinking Water Assistance Fund accounts

Other conditions, requirements or regulations which were met during PY 2007 include: matching ASAP increases at the 20% level, expeditious and timely expenditure of funds, providing SRF funds only for eligible activities, compliance with SDWA requirements for all projects receiving binding commitments, the MBE/WBE requirements, compliance with other federal authorities; compliance with the State Environmental Review Process (SERP); compliance with the ASAP cash draw procedures and rules established by U.S. EPA; and the performance of an annual audit and annual review.

**Table 2****Capitalization Grant Award and State Match Summary**

30-Jun-2007

Grant Number	FFY Appropriation	Cap Grant Award Date	Cap Grant Amount	State Match Amount (20%)	Remarks
FS985954-98	1997	11-Sep-98	\$43,073,000.00	\$8,614,600.00	Provided by OWDA
FS985954-99	1998	30-Sep-99	\$22,806,200.00	\$4,561,240.00	Provided by OWDA
FS985954-00	1999	21-Sep-00	\$23,903,100.00	\$4,780,620.00	2001 BAN
FS985954-00	2000	21-Sep-00	\$24,842,200.00	\$4,968,440.00	2001 BAN
FS985954-00-1	2001	19-Sep-01	\$24,944,900.22	\$4,988,980.04	2001 BAN
FS985954-02	2002	26-Apr-02	\$24,547,600.00	\$4,909,520.00	\$261,960 by 2001 BAN and \$4,647,560 by 2002 SM Bonds
FS985954-03	2003	17-Sep-03	\$24,400,100.00	\$4,880,020.00	2002 SM Bonds
FS985954-04	2004	30-Sep-04	\$25,311,500.00	\$5,062,300.00	\$3,259,157 by 2002 SM Bonds and \$1,803,143 by 2004 SM Bonds
FS985954-05	2005	30-Aug-05	\$25,257,900.00	\$5,051,580.00	2004 SM Bonds
FS985954-06	2006	30-Sep-07	\$24,671,000.00	\$4,934,200.00	2004 SM Bonds
			\$263,757,500.22	\$52,751,500.04	Total

**State Match Sources**

Source	Amount
OWDA	\$13,175,840.00
2001 BAN	\$15,000,000.00
2002 SM Bonds*	\$12,786,737.00
2004 SM Bonds	\$33,814,620.00
Interest Earned	\$3,700,581.80
<b>Total</b>	<b>\$78,477,778.80</b>

**29.75% Percentage of Match****to Capitalization Grants Received**

\*2002 SM Bond Proceeds

Sources and Uses of Funds \$30,076,919.70 - Cost of Issuance (286,807.33), Debt Service Reserve Fund (1,727,415) and Deposit to Debt Service Fund for retirement of Series 2001 BAN 2001 BAN (15,275,958.93)

**Table 3****Set-aside Balances and Expected Capitalization Grant Funding**

June 5, 2007

FFY 2007 & 2008 Appropriation Capitalization Grants		\$24,671,000	\$24,671,000	
Set-Asides Accounts	Prior Year Balances	2007 Grant Amounts (actual)	2008 Grant Amounts (estimate)	Totals for Each Account
Administrative	\$3,649,192	\$986,840	\$986,840	\$5,622,872
Source Water Assessment	\$0	\$0	\$0	\$0
Wellhead Protection Program	\$3,532,635	\$1,233,550	\$1,233,550	\$5,999,735
Small Community Tech Asst	\$1,875,671	\$493,420	\$493,420	\$2,862,511

**Table 4****PY 2007 Loan Disbursements**

PY 2007 WSRLA Loan Disbursements			Actual Proportionality Percentage	WSRLA Federal Amt	State Match	Target Proportionality Percentage
as of 6/30/2006						
Encumbered	Federal \$199,900,071.63	State \$76,266,973.16	(Total SM/Fed+SM) 27.62%	\$211,076,595	\$47,817,300	18.47%
Disbursed	\$145,311,377.85	\$71,526,401.98	32.99%			
as of 9/30/2006						
Encumbered	Federal \$202,881,675.38	State \$76,266,973.16	(Total SM/Fed+SM) 27.32%	\$211,076,595	\$47,817,300	18.47%
Disbursed	\$149,690,921.01	\$71,530,185.27	32.33%			
as of 12/31/2006						
Encumbered	Federal \$202,943,027.12	State \$76,368,374.24	(Total SM/Fed+SM) 27.34%	\$233,033,696	\$52,751,480	18.46%
Disbursed	\$161,562,686.48	\$72,370,678.43	30.94%			
as of 3/31/2007						
Encumbered	Federal \$202,202,509.18	State \$76,367,734.29	(Total SM/Fed+SM) 27.41%	\$233,033,696	\$52,751,480	18.46%
Disbursed	\$170,949,122.71	\$72,495,061.34	29.78%			
as of 6/30/2007						
Encumbered	Federal \$210,113,519.32	State \$76,281,517.59	(Total SM/Fed+SM) 26.64%	\$233,033,696	\$52,751,480	18.46%
Disbursed	\$179,978,153.50	\$72,503,161.34	28.72%			

**Table 5**

**15% to Small Communities Calculation**

Start of PY	End of PY	Total		15% of Amount Made Available	Amount to Small Coms.	PY	Cumulative Amount Made Available	Cumulative Amount to Small Comm.	Cumulative
		Amount Available in PY	Amount Made Available in PY			% of Amount Made Available to Small Comm.			% of Amount Made Available to Small Comm.
11/1/1998	6/30/1999	\$90,479,160	\$90,479,160	\$13,571,874	\$1,276,203	<b>1.41%</b>	\$90,479,160	\$1,276,203	<b>1.41%</b>
7/1/1999	6/30/2000	\$122,904,728	\$122,904,728	\$18,435,709	\$6,025,698	<b>4.90%</b>	\$213,383,888	\$7,301,901	<b>3.42%</b>
7/1/2000	6/30/2001	\$108,532,852	\$108,532,852	\$16,279,928	\$6,470,664	<b>5.96%</b>	\$321,916,740	\$13,772,565	<b>4.28%</b>
7/1/2001	6/30/2002	\$49,799,315	\$49,799,315	\$7,469,897	\$15,861,749	<b>31.85%</b>	\$371,716,055	\$29,634,314	<b>7.97%</b>
7/1/2002	6/30/2003	\$120,855,214	\$120,855,214	\$18,128,282	\$17,097,690	<b>14.15%</b>	\$492,571,269	\$46,732,004	<b>9.49%</b>
7/1/2003	6/30/2004	\$89,449,175	\$89,449,175	\$13,417,376	\$29,622,629	<b>33.12%</b>	\$582,020,444	\$76,354,633	<b>13.12%</b>
7/1/2004	6/30/2005	\$134,511,633	\$134,511,633	\$20,176,745	\$16,045,452	<b>11.93%</b>	\$716,532,077	\$92,400,085	<b>12.90%</b>
7/1/2005	6/30/2006	\$167,734,147	\$167,734,147	\$25,160,122	\$26,693,586	<b>15.91%</b>	\$884,266,224	\$119,093,671	<b>13.47%</b>
7/1/2006	6/30/2007	\$147,228,481	\$65,000,000	\$9,750,000	\$38,996,743	<b>59.99%</b>	\$949,266,224	\$158,090,414	<b>16.65%</b>

## Drinking Water Assistance Fund

Balance Sheet

June 30, 2007

<u>Assets</u>		
Cash		72,403
Investments		150,237,361
Receivables:		
Federal and local government authorities		383,993,330
Deferred bond and note issuance expense		<u>1,866,804</u>
Total assets		<u>536,169,898</u>
<u>Liabilities and Net Assets</u>		
Accrued interest		2,844,934
Drinking Water Assistance Fund Bonds		
State Match Series		49,950,461
Leverage Series		<u>256,486,343</u>
Total liabilities		309,281,738
Net Assets		<u>226,888,160</u>
Total liabilities and net assets		<u>536,169,898</u>

## Drinking Water Assistance Fund

Statement of Revenues, Expenses and Changes in Net Assets  
Year ended June 30, 2007

Revenues:	
Project revenue	11,990,563
Investment income	7,175,707
Contribution from U.S. EPA	37,177,831
	<u>56,344,101</u>
Expenses:	
Interest on bonds and notes	12,750,504
Amortization of bond issuance expenses	152,531
Operating expenses and other	3,475,374
	<u>16,378,409</u>
Excess (deficiency) of revenues over expenses before non - operating revenue	39,965,692
Other	-
Excess (deficiency) of revenues over expenses	39,965,692
Net Assets at beginning of year	186,922,468
Net Assets at end of year	<u>226,888,160</u>

## Drinking Water Assistance Fund

Statement of Cash Flows

Year ended June 30, 2007

Operating activities:	
Operating expenses	(3,475,374)
Net cash provided (used) by operating activities	<u>(3,475,374)</u>
Investing activities:	
Proceeds from maturity or sale of investments	176,905,930
Purchase of investments	(206,057,160)
Interest received on investments, net of purchased interest	6,703,629
Interest received on projects	9,654,687
Principal collected on projects	16,890,650
Payment for construction of projects	(89,574,736)
Net cash provided (used) by investing activities	<u>(85,477,000)</u>
Noncapital financing activities:	
Interest paid on bonds and notes, net of purchased interest	(10,753,738)
Redemption of bonds and notes	(8,305,000)
Proceeds of bonds and notes	70,000,000
Bond issuance expense	(114,336)
Contribution from U.S. EPA	37,177,831
Net cash provided (used) by noncapital financing activities	<u>88,004,757</u>
Net increase (decrease) in cash and cash equivalents	(947,617)
Cash and cash equivalents at beginning of period	1,020,020
Cash and cash equivalents at end of period	<u><u>72,403</u></u>
Recon to net cash provided (used) by oper activities:	
Excess (deficiency) of revenues over expenses before operating transfer	39,965,692
Adjustments:	
Investment income	(7,125,707)
Operating expenses	-
Interest on bonds and notes	12,750,504
Project revenue	(11,990,563)
Amortization of bond issuance cost	152,531
Contribution from U.S. EPA	(37,177,831)
Net cash provided (used) by operating activities	<u><u>(3,475,374)</u></u>

**Table 9 - Binding Commitments in PY 2007**

Applicant	Project Description	Loan #	Seq	Populatic	Award Date	Terr	Rate Type	Rate	Loan Amount
Muskingum County	Nashport Waterline	390338	01	9,520	27-Jul-06	20	Hardship	2.00%	\$490,793.00
Ottawa County Commissioners	SBI Waterline Impr. - Extends service loop to Catawba,	390360	01	631	27-Jul-06	20	Hardship	2.00%	\$1,219,487.30
Buckeye Water District	Transmission Main , Pump Stn. , Intake	390314	02	4,133	31-Aug-06	20	Hardship	2.00%	\$11,700,000.00
Middle Point	elevated water tank replacement	390361	01	593	31-Aug-06	20	Hardship	2.00%	\$103,401.00
Ottawa, Village of	Rehab .5 and 1.0 MG clearwells to improve chlorine cor	390369	01	5,900	31-Aug-06	20	Small	2.84%	\$471,300.00
Fayette , Village of	WTP Improvements (phase 2)	390372	01	1,340	31-Aug-06	20	Hardship	2.00%	\$53,438.00
Botkins, Village of	WTP Impr. - Installation of iron and mangesese treatm	390386	01	1,205	31-Aug-06	20	Small	2.84%	\$512,098.00
Lisbon , Village of	Lisbon - Membrane Filtration	390379	01	3,000	31-Aug-06	20	Hardship	2.00%	\$2,210,680.00
Warren, City of	Meter Replacement	390311	01	70,000	28-Sep-06	20	Standard	3.25%	\$5,567,797.00
Oberlin, City of	Design - Rehab WTP DBPR Compliance	390335	01	8,267	28-Sep-06	5	Hardship	2.00%	\$454,783.00
Guernsey County	Line extension to N.E. (65,000 lf. of 8" line)	390357	01	9,108	28-Sep-06	20	Hardship	2.00%	\$583,427.00
Harrison, City of	New Biddington\Carolina Trace - Line replace	390407	01	7,487	28-Sep-06	20	Small	2.84%	\$1,907,226.00
Bishopville Water District	Supplemental Loan #2	390277	01	1,200	26-Oct-06	20	Hardship	2.00%	\$237,893.00
Old Straitsville	Old Straitsville Water Line Ext. Jackson/Coal Twps	390354	01	2,968	26-Oct-06	20	Hardship	2.00%	\$152,236.00
Lyons, Village of	Ash Street Water Line	390358	01	559	26-Oct-06	20	Small	2.75%	\$84,222.60
Eaton , City of	WTP Improvemnts	390363	01	8,133	15-Dec-06	20	Small	2.75%	\$5,247,302.00
Muskingum County	Adamsville Water Line and Twr.	390337	01	9,520	15-Dec-06	20	Hardship	2.00%	\$552,134.00
Canal Winchester, Village of	Raw Waterlines & Wellfield Development	390045	02	4,478	25-Jan-07	20	Small	2.75%	\$965,601.00
Mahoning Valley Sanitary District	Head House Roof Replac. Supplemental Loan	390324	03	300,000	26-Jan-07	20	Standard	3.25%	\$46,009.00
Cincinnati, City of	Duck Creek/Grand Ave/Greenacres Ct. waterline replac	390429	01	331,285	26-Feb-07	20	Standard	3.25%	\$4,000,000.00
Delphos , City of	Transmission Main to WTP	390270	03	7,000	26-Feb-07	20	Hardship	2.00%	\$810,679.00
Chardon , City of	WTP Improvements for arsenic removal	390310	01	5,156	26-Feb-07	20	Hardship	2.00%	\$6,500,267.00
Cleveland, City of	Morgan WTP - Reservoir Replacement for Compliance	390378	01	465,000	29-Mar-07	20	Standard	3.25%	\$6,500,000.00
Kent , City of	Regionalize Franklin Hills Water Assoc. into Kent	390381	01	1,400	26-Apr-07	20	Hardship	2.00%	\$365,322.00
Fayette, Village of	WTP improvements/replacement (Phase 3)	390372	02	1,340	26-Apr-07	20	Hardship	2.00%	\$79,113.00
Lewisburg	WTP Improvements	390344	02	1,798	26-May-07	20	Small	2.75%	\$1,413,188.00
Berea , City of	Construct WTP Renovations incl. Enhanced treatmt.	390334	02	18,970	26-May-07	20	Standard	3.25%	\$1,955,467.00
Columbus, City of	Taylor Road 2 MGD Tank	390431	01	965,250	31-May-07	20	Standard	3.25%	\$4,620,455.00
Canton, City of	Sugar Creek WTP - Electrical Work / Scada Network .	390377	01	140,000	26-Jun-07	20	Standard	3.25%	\$3,424,499.00
West Jefferson, Village of	Upgrade WTP/add reverse osmosis w/part.	390275	03	4,331	28-Jun-07	20	Small	2.75%	\$2,882,152.00
									<b>\$65,110,969.90</b>

**Table 10**  
**Funding Sources for PY 2007 Projects**

Applicant - Project	Loan #	Award Date	Loan Amount	Cost Categories				Other Funding Sources							Project Total	
				Transmission/ Distribution	Treatment	Storage	Source Protection	Issue 2	CDBG	USDA-RD	Local Bonds	ARC Grant	STAG Grant	Other		
Muskingum County - Nashport Waterline	390338-01	Jul-2006	\$490,793	\$490,793	\$0	\$0	\$0	\$170,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$660,793
Ottawa County Commissioners - South Bass Island Waterline Improvements	390360-01	Jul-2006	\$1,219,487	\$1,219,487	\$0	\$0	\$0	\$440,250	\$0	\$0	\$0	\$0	\$0	\$1,508,917 FAA	\$3,168,654	
Lisbon , Village of - Membrane Filtration System	390379-01	Aug-2006	\$2,210,680	\$0	\$2,210,680	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$164,570 Local Funds	\$2,375,250	
Ottawa, Village of - Rehabilitation of 2 Clearwells	390369-01	Aug-2006	\$471,300	\$0	\$471,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$471,300	
Buckeye Water District - Transmission Main , Pump Stn., Intake	390314-02	Aug-2006	\$11,700,000	\$0	\$0	\$0	\$11,700,000	\$0	\$0	\$23,641,279	\$0	\$0	\$0	\$0	\$35,341,279	
Middle Point - Water Tower	390361-01	Aug-2006	\$103,401	\$0	\$0	\$103,401	\$0	\$176,000	\$250,000	\$0	\$0	\$0	\$0	\$0	\$529,401	
Botkins, Village of - WTP Improvements	390386-01	Aug-2006	\$512,098	\$0	\$512,098	\$0	\$0	\$285,000	\$0	\$0	\$0	\$0	\$0	\$157,250 Local Funds	\$954,348	
Fayette , Village of - WTP Improvements (phase 2)	390372-01	Aug-2006	\$53,438	\$0	\$53,438	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$58,160 Local Funds	\$111,598	
Guernsey County - Guernsey Co. Water Ln. extension	390357-01	Sep-2006	\$583,427	\$583,427	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$111,000	\$1,592,000	\$0	\$2,286,427	
Oberlin, City of - Rehab WTP	390335-01	Sep-2006	\$454,783	\$0	\$454,783	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$454,783	
Harrison, City of - New Biddinger Rd./Carolina Trace Replacement Proj.	390407-01	Sep-2006	\$1,907,226	\$1,907,226	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,907,226	

Applicant - Project	Loan #	Award Date	Loan Amount	Cost Categories				Other Funding Sources							Project Total
				Transmission/ Distribution	Treatment	Storage	Source Protection	Issue 2	CDBG	USDA-RD	Local Bonds	ARC Grant	STAG Grant	Other	
Warren, City of - Resid. Meter Replacement	390311- 01	Sep- 2006	\$5,567,797	\$5,567,797	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,567,797
Lyons, Village of - Ash Street Water line	390358- 01	Oct- 2006	\$84,223	\$84,223	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$84,223
Bishopville Water District - supplemental loan #2	390277- 01-2	Oct- 2006	\$237,892	\$237,892	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$237,892
Old Straitsville - Old Straitsville Water Line Ext. Jackson/Coal Twps	390354- 01	Oct- 2006	\$152,387	\$152,387	\$0	\$0	\$0	\$0	\$393,000	\$0	\$0	\$200,000	\$0	\$0	\$745,387
Muskingum County - Adamsville Water Line and Twr. Tri-Valley School	390337- 01	Dec- 2006	\$1,627,834	\$1,627,834	\$0	\$0	\$0	\$0	\$1,075,700	\$0	\$0	\$0	\$0	\$150,000 Local school	\$2,853,534
Eaton , City of - Water Treatment Plant Improvements	390363- 01	Dec- 2006	\$5,247,302	\$5,247,302	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000	\$0	\$5,997,302
Canal Winchester, Village of - Raw Waterlines & Wellfield Development	390045- 02	Jan- 2007	\$965,601	\$965,601	\$0	\$0	\$0	\$0	\$0	\$0	\$94,143	\$0	\$0	\$0	\$1,059,744
Mahoning Valley Sanitary District - Supplement to Head House Roof Replacement	390324- 03-1	Jan- 2007	\$46,009	\$0	\$0	\$46,009	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$46,009
Delphos , City of - Delphos Transmission Main to WTP	390270- 03	Feb- 2007	\$810,769	\$810,769	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$390,000	\$0	\$1,200,769
Cincinnati, City of - Duck Creek/Grand Ave/Greenacres Ct waterline Repl	390429- 01	Feb- 2007	\$4,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000,000

Applicant - Project	Loan #	Award Date	Loan Amount	Cost Categories				Other Funding Sources							Project Total
				Transmission/ Distribution	Treatment	Storage	Source Protection	Issue 2	CDBG	USDA-RD	Local Bonds	ARC Grant	STAG Grant	Other	
Cleveland, City of - Morgan - East Reservoir	390378- 01	Mar- 2007	\$6,500,000	\$0	\$0	\$6,500,000	\$0	\$0	\$0	\$0	\$36,492,432	\$0	\$0	\$0	\$42,992,432
Fayette, Village of - WTP Improvements (Phase 3)	390372- 02	Apr- 2007	\$79,113	\$0	\$79,113	\$0	\$0	\$74,287	\$0	\$0	\$0	\$0	\$0	\$0	\$153,400
Kent , City of - Regionalize Franklin Hills into Kent	390381- 01	Apr- 2007	\$365,322	\$365,322	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$365,322
Lewisburg - WTP Improvements	390344- 02	May- 2007	\$1,413,188	\$0	\$1,413,188	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,413,188
Berea , City of - Construct enhanced treatment processes	390334- 02	May- 2007	\$1,955,467	\$0	\$1,955,467	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,955,467
Columbus, City of - Taylor Road Water Tank	390431- 01	May- 2007	\$4,620,455	\$0	\$0	\$4,620,455	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,620,455
Canton, City of - Canton Sugar Creek WTP	390377- 01	Jun- 2007	\$3,424,499	\$0	\$3,424,499	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,424,499
West Jefferson, Village of - WTP improvements - construction	390275- 03	Jun- 2007	\$2,882,152	\$0	\$2,882,152	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$639,200 ACOE	\$3,521,352