



**MINUTES OF MEETING  
OHIO WATER DEVELOPMENT AUTHORITY  
JULY 31, 2025**

Chairman Browning called the monthly meeting of the Ohio Water Development Authority to order at 10:30 a.m. on Thursday, July 31, 2025. Pursuant to the notice in compliance with the provisions of R.C. 121.22, the meeting was held at the Ohio Water Development Authority, 480 South High Street, Columbus, Ohio 43215.

Board members in attendance:

Gregory Browning	Chairman
Chris Whistler	Vice-Chairman
Gordon Reis	Board Member
Jimmy Stewart	Board Member
Amy Holtshouse	Board Member
Patrick Smith	Designee for Lydia Mihalik, Director of the Ohio Department of Development (Development)
Mindy Bankey	Designee for Mary Mertz, Director of the Ohio Department of Natural Resources (ODNR)
Shelby Croft	Designee for John Logue, Director, Ohio Environmental Protection Agency (OEPA)

Other attendees:

Michael Fraizer	OWDA Executive Director
Angela Hawkins	OWDA Chief Legal/Ethics Officer and Policy Advisor
Todd Skruck	OWDA Chief Financial Officer/Secretary-Treasurer
Dan Gill	OWDA Deputy Executive Director, Program Operations
Kim Killian	OWDA Loan Officer
Jessica Cameron Mitchell	Financial Advisor, PFM
Jennifer Turk	General Counsel, Benesch, Friedlander, Coplan & Aronoff
Ryan Callender	Bond Counsel, Squire Patton Boggs (US) LLP, (SPB)
Allison Binkley	Bond Counsel, Squire Patton Boggs (US) LLP, (SPB)
Jon Bernstein	Chief, Division of Environmental and Financial Assistance, Ohio Environmental Protection Agency (OEPA)

Mr. Fraizer reported that the notice of the Ohio Water Development Authority meeting was in compliance with R.C. 121.22 and O.A.C 6121-1-13 and a quorum was established for the meeting.

**I. APPROVAL OF MINUTES**

Regular Meeting on June 26, 2025

\*\*\*\*MOTION\*\*\*\*

Chairman Browning called for a motion to approve the June 26, 2025, regular Board Meeting minutes.

Moved by Mr. Stewart.  
Seconded by Mr. Whistler.

Motion passed unanimously.

**II. ELECTION OF OFFICERS**

Chair

\*\*\*\*MOTION\*\*\*\*

Mr. Stewart moved to nominate Mr. Browning to the office of chairman. Seconded by Mr. Reis.

Motion passed unanimously.

Vice-Chair

\*\*\*\*MOTION\*\*\*\*

Mr. Stewart moved to nominate Mr. Whistler to the office of vice-chairman. Seconded by Mr. Reis.

Motion passed unanimously.

**III. GENERAL LOAN INFORMATION**

Board Summary Report

Mr. Skruck provided information on the loans, including a list sorted by program; along with loan amount, term, rate, and a description of the project.

Economic Analysis

Mr. Skruck provided details on operating ratio, debt coverage (rates/debt service), cost as percentage of Median Household Income (MHI), and demographic factors such as population change and unemployment.

**IV. FRESH WATER LOAN FUND PROGRAM**

Projects and Authorizing Resolution 41-25

Ms. Killian advised the Board of four Fresh Water Loan Fund Program loans this month under Resolution 41-25; two are for planning and two are for construction. There are individual loans for Avon Lake, Columbus, Geneva, and Waverly. The projects listed in the attached Exhibit A were presented. The total loan amount is \$19,090,967.75.

\*\*\*\*RESOLUTION\*\*\*\*

For the Fresh Water Loan Fund Program, Chairman Browning called for a motion to approve Resolution 41-25 authorizing cooperative agreements for planning and construction of wastewater and water management facilities between certain named political subdivisions of the State of Ohio and the Ohio Water Development Authority.

Moved by Mr. Stewart.  
Seconded by Ms. Holtshouse.

Motion passed unanimously.

Supplemental Project and Authorizing Resolution 42-25

Ms. Killian advised the Board of one Fresh Water Loan Fund Program supplement this month under Resolution 42-25 for additional engineering services. The project for the City of Columbus as listed in Exhibit B was presented. The supplement total loan amount is \$501,750.00.

\*\*\*\*RESOLUTION\*\*\*\*

For the Fresh Water Loan Fund Program, Chairman Browning called for a motion to approve Resolution 42-25 authorizing supplements to cooperative agreements for planning and construction of wastewater and water management facilities between certain named political subdivisions of the State of Ohio and the Ohio Water Development Authority.

Moved by Mr. Stewart.  
Seconded by Ms. Holtshouse.

Motion passed unanimously.

**V. FRESH WATER REFINANCE LOAN PROGRAM**

Tax-Exempt Project and Authorizing Resolution 43-25

Ms. Killian advised the Board of one Fresh Water Refinance Loan Program loan under Resolution 43-25 this month which qualifies for a tax-exempt rate. The loan for Toledo as listed in Exhibit C was presented. The total loan amount will not exceed \$12,125,000.00 and will have a minimum interest rate of 2.05%. Ms. Killian stated the refinance will save the City of Toledo \$1,105,000.00.

\*\*\*\*RESOLUTION\*\*\*\*

For the Fresh Water Refinance Loan Fund Program, Chairman Browning called for a motion to approve Resolution 43-25 authorizing cooperative agreements for the refinancing of certain existing debt, the proceeds of which was used to finance wastewater and water management facilities, between certain named political subdivisions of the State of Ohio and the Ohio Water Development Authority.

Moved by Mr. Stewart.

Seconded by Mr. Whistler.

Motion passed unanimously.

**VI. DRINKING WATER ASSISTANCE LOAN FUND PROGRAM**

Projects and Authorizing Resolution 44-25

Ms. Killian advised the Board of seven Drinking Water Assistance Loan Fund Program loans under Resolution 44-25 this month; two are for planning/design and five are for construction. There are individual loans for Barnesville, Canton, Coal Grove, Greenville, Mid-Ohio Water & Sewer District, Trenton, and Wellington. The projects listed in the attached Exhibit D were presented. Ms. Killian also advised the Board there were no lead service lines for any projects this month. The total loan amount is \$38,132,049.13. As one of the projects included the Mid-Ohio Water & Sewer District, Chairman Browning asked for clarification of where this area is geographically located. Mr. Chad Roby, consulting engineer for the District, responded that their region consists of Madison County and part of Union County that includes Plain City.

\*\*\*\*RESOLUTION\*\*\*\*

For the Drinking Water Assistance Loan Fund Program, Chairman Browning called for a motion to approve Resolution 44-25 authorizing Drinking Water Assistance Loan Fund agreements between named political subdivisions and persons, the Director of the Ohio Environmental Protection Agency, and the Ohio Water Development Authority, for financing construction, operation, and ownership of water facilities pursuant to R.C. 6109.22.

Moved by Mr. Stewart.

Seconded by Mr. Smith.

Motion passed unanimously.

**VII. WATER POLLUTION CONTROL LOAN FUND PROGRAM**

Presentation

Executive Director Fraizer prefaced the presentation from the Mid-Ohio Water & Sewer District with some remarks. He explained that since OWDA has been asking groups with large projects of \$100

million or more to make a presentation to the Board prior to approving any loans, he felt the District's combined projects totaling over \$100 million should be treated similarly.

Mr. Chad Roby, Jacobs Consulting Engineer, started the presentation explaining that it's a unique opportunity to create a new regional entity and a new greenfield wastewater treatment plant all at once. Madison County, the Village of Plain City, and the City of London partnered to create the Mid-Ohio Water & Sewer District (District) as part of a regionalization plan for the Madison County area. The combined assets of the three entities include several water and wastewater treatment plants. Right now, plans are to leave the London plant as it is. The others have limitations for growth, which lead to the formation of the District. Economic growth, the need for environmental protection and aging infrastructure have been the driving forces behind the need for this new regional wastewater treatment plant. The new plant will be called the Deer Creek Water Reclamation Facility (WRF).

Mr. Roby explained in detail how the new facility will operate. It will receive flows from the existing Madison County and Plain City service areas. It will provide increased capacity at the London Wastewater Treatment Plant by redirecting flow from the state correctional facilities. It will connect existing unsewered areas and have the ability to create future connections in existing and new service areas. It will discharge to Deer Creek and divert flows from the Big Darby. The capacity will be five million gallons per day (MGD) with the capability of expanding through growth phases to 15 MGD. The Ohio EPA has regulatory requirements they must meet to obtain the permits for installation of the new plant.

Mr. Roby provided service area flow projections that were used to design the plant in light of anticipated growth in the District. He walked through the phases of the construction process which will lead up to the new plant being online in the summer of 2028. Revenue projections for the District have been completed with the assistance of an outside consultant. They are currently completing a rate study to ensure the incoming revenues will be enough to sustain the new plant.

Chairman Browning provided an opportunity for Board members to ask questions. Board Member Reis asked what is causing growth in the District. Mr. Roby responded that Intel, the Honda Battery Factory, residential growth, and large industrial users are the largest components of their growth. He was also asked how many current users they have; and he responded with approximately 8,000. Board Member Holtshouse asked if the District was taking over the SSD1 and SSD2 plants. Mr. Roby responded that expansions are being diverted to the new plant; and some consideration is being given to possibly diverting the current SSD1 and SSD2 plants to the new plant as well. Board Member Whistler referenced the process flow diagram and asked if the decision process will remain the same long-term, broadly speaking, as the project expands. Mr. Roby explained that they try not to box themselves in when laying out plans to allow for new technologies and using current technology more efficiently.

Chairman Browning inquired about what lessons have been learned in creating a new district. Mr. Tom Taylor, District Director, said they started the process in 2019 as growth was coming to Madison County. He cited quick examples of financial savings from the formation of the District, such as the three entities previously all had sewer vac trucks whereas the District just needs one. Mr. Taylor conceded that perhaps they should have slowed the process down somewhat and done more strategic planning when they added the City of London to the group, yet they've made it work. He stated that he's a big believer in regionalization, and the benefits strongly outweigh the disadvantages.

Projects and Authorizing Resolution 45-25

Ms. Killian advised the Board of 11 Water Pollution Control Loan Fund Program loans under Resolution 45-25 this month; one is for planning/design and 10 are for construction. There are two loans each for Columbus and Wellington, and individual loans for Bowling Green, Hamilton County, Heath, Norwalk, Ohio & Lee Twp. Water & Sewer Authority, Trumbull County, and Warren. The projects listed in the attached Exhibit E were presented. The total loan amount is \$281,208,763.23.

Mr. Fraizer pointed out that the Hamilton County project for just under \$225 million is what the Metropolitan Sewer District (MSD) of Greater Cincinnati presented last month. He also stated they are slated to come again next month with a presentation for another large project. Mr. Reis asked if Hamilton County representatives can come next month to outline their relationship with the City of Cincinnati. Mr. Ryan Callender, bond counsel, Squire Patton Boggs, stated there is a particular loan agreement that all of the parties must sign, which includes the city and the county. Mr. Fraizer stated that he will arrange for an attorney from MSD to be present at next month's board meeting.

\*\*\*\*RESOLUTION\*\*\*\*

For the Water Pollution Control Loan Fund Program, Chairman Browning called for a motion to approve Resolution 45-25 authorizing Water Pollution Control Loan Fund agreements between certain named political subdivisions, the Director of the Ohio Environmental Protection Agency, and the Ohio Water Development Authority, for financing construction, operation, and ownership of wastewater facilities pursuant to R.C. 6111.036.

Moved by Mr. Stewart.  
Seconded by Mr. Whistler.

Motion passed unanimously.

Supplement and Authorizing Resolution 46-25

Ms. Killian advised the Board of one Water Pollution Control Loan Fund Program supplement under Resolution 46-25 this month. The construction loan is for Wapakoneta. The project listed in the attached Exhibit F was presented. The total loan amount is \$3,000,000.00.

\*\*\*\*RESOLUTION\*\*\*\*

For the Water Pollution Control Loan Fund Program, Chairman Browning called for a motion to approve Resolution 46-25 authorizing supplement to loan agreements between certain named political subdivisions, the Director of the Ohio Environmental Protection Agency, and the Ohio Water Development Authority, for financing construction, operation and ownership of wastewater facilities pursuant to R.C. 6111.036.

Moved by Mr. Stewart.  
Seconded by Ms. Holtshouse.

Motion passed unanimously.

## **VIII. UN-SEWERED AREA ASSISTANCE FUND PROGRAM**

### Projects and Authorizing Resolution 47-25

Ms. Killian advised the Board of two Un-Sewered Area Assistance Fund Program projects for this month. The first grant is a construction project for Ohio & Lee Township Water & Sewer Authority. The second grant is a construction project for Wayne County. The Board approved the Wayne County project in December 2024 under Resolution 78-24, which was referenced as a 0% loan instead of a grant. Staff is requesting an amended resolution to allow the project to move forward as specified in our guidelines. The projects listed in Exhibit G were presented. The total grant amount is \$500,000.00.

### **\*\*\*\*RESOLUTION\*\*\*\***

For the Un-Sewered Area Assistance Fund Program, Chairman Browning called for a motion to approve Resolution 47-25 authorizing cooperative agreements for planning and design of sewage treatment facilities, interceptor sewers and sewage collection systems between the Ohio Water Development Authority and certain named local governmental agencies and OWDA has determined they are eligible due to failing on-site systems.

Moved by Mr. Stewart.  
Seconded by Mr. Whistler.

Motion passed unanimously.

## **IX. FINANCIAL**

### DWAF Series 2025A Pricing Results

Mr. Skruck informed the Board that OWDA priced \$350 million par of Drinking Water Assistance Fund bonds Series 2025A on June 24, 2025. He introduced Mr. Bob Franz and Mr. Patrick King, Stifel, Nicolaus & Company, Inc. (Stifel), as the senior manager to give a post-pricing presentation of the sale. Mr. Franz reported that the bond sale generated over \$377 million in proceeds. He stated the market was dynamic during this pricing period. The sale successfully generated just under \$600 million in bond orders from 39 different investors, including four new investors. Stifel underwrote \$43 million in unsold bonds to complete the sale.

Mr. Franz reported there was more supply coming into the market during that time with 14% higher volume of supply so far in 2025, as compared to 2024. He also stated there were many components creating uncertainty in the market, including tariffs, global conflicts, resilience of US consumers and inflation. He stated there was a good, quality and diverse group of investors in the sale. Mr. Franz also reported the co-managers supported the sale; and he provided examples of comparable transactions.

Chairman Browning asked if the downgrading of U.S. debt affects OWDA. Mr. Franz responded that the market was unusually calm under the circumstances, and his opinion is that this doesn't matter until it does matter. Mr. Skruck explained that it could impact OWDA eventually because of the \$2 billion investment in U.S. treasury. OWDA's financial advisor, Ms. Jessica Cameron Mitchell

commented that Moody's was the last to downgrade the U.S. sovereign debt rating; Fitch and S&P had previously done so. Since the OWDA's rating is tied, to a certain extent, to the sovereign rating. She stated that if the U.S. rating goes down another two notches, OWDA's rating from S&P could be affected. OWDA is capped at two notches above the sovereign rating. Therefore, it would likely pull OWDA a notch down through no fault of OWDA. There would be some related cost adjustments as a result of a rating adjustment, but Ms. Mitchell did not believe it would be substantial adjustments.

Mr. Franz and Mr. King were thanked for their contributions to this sale.

Approval of State Match Note Authorizing Resolutions 48-25 and 49-25

Mr. Skruck provided background information on what has transpired since the June board meeting regarding state match notes. He sent a solicitation for placement agent for direct placement of state match transactions to four Ohio firms: Huntington Bank, Key Bank, PNC, and Stifel. He based the selection criteria on cost, quality of responses, and experience as a placement agent. Stifel was selected to serve as placement agent for this transaction. Mr. Skruck also wanted to clarify a statement he made at last month's board meeting. He said it will be approximately 15 basis points spread to the one-year treasury or 4.29% based on the current market.

Mr. Callender provided background information on Resolutions 48-25 and 49-25. In order to get the federal cap grant dollars, there must be a state match. OWDA has a specific delineated program as provided by the Clean Water Act and the State Drinking Water Act. He stated, in this case, OWDA is selling to the State Treasurer's Office; and added this won't be publicly offered. Additionally, Mr. Callender stated that OWDA pledges the revenues which puts the eventual owner of the notes in the same parity position as any other bond holder.

Resolution 48-25 is for the Drinking Water Assistance Fund (DWAF) state match and is not to exceed \$25 million from the DWAF. It authorizes the supplemental indenture, extends the pledge, authorizes execution of the placement agent with Stifel, and all the other documentations and certificates necessary to issue the note.

\*\*\*\*MOTION\*\*\*\*

Chairman Browning called for a motion to approve Resolution 48-25, providing approval of the DWAF state match note.

Moved by Mr. Stewart.  
Seconded by Mr. Reis.

Motion passed unanimously.

Resolution 49-25 is for the Water Pollution Control Loan Fund (WPCLF) state match, and Mr. Callender stated it is not to exceed \$75 million from the WPCLF Program. It authorizes the supplemental indenture, extends the pledge, authorizes execution of the placement agent with Stifel, and all the other documentations and certificates necessary to issue the note.

\*\*\*\*MOTION\*\*\*\*

Chairman Browning called for a motion to approve Resolution 49-25, providing approval of the WPCLF state match note.

Moved by Mr. Reis.

Seconded by Mr. Stewart.

Motion passed unanimously.

Approval of Resolution 50-25 and Amending the WPCLF Series 2025-2028A Notes

Mr. Skruck explained that these notes are used to encumber loans and not used to fund loans. OWDA encumbers loans against the notes; and as the projects are constructed, reimbursements from bond proceeds are used to fund the project draws. This transaction will mature on July 30, 2028. The note purchase agreement has a termination provision for either party with a four-month notice.

Mr. Callender explained that this is an extension of an existing product for \$200 million. He stated that a unique feature of Huntington products is they can only issue up to \$35 million at any given time; therefore, OWDA must always look a few months in advance of maturity as being the true maturity in order to encumber against the full \$200 million. Other than that, this note looks the same as others.

\*\*\*\*MOTION\*\*\*\*

Chairman Browning called for a motion to approve Resolution 50-25, amending the WPCLF Series 2025-2028A notes.

Moved by Mr. Stewart.

Seconded by Ms. Holtshouse.

Motion passed unanimously.

Quarterly Budget Update

Mr. Fraizer provided board members with a printed copy of the updated budget report and stated that it shows where OWDA is at mid-year. He noted that an additional \$1 million in loan origination fees is anticipated between the two major programs. Mr. Fraizer reminded the Board that these fees aren't counted as income until the loan is actually processed. Additionally, it was noted that staff is in the process of working with a consultant on a compensation analysis; and there may be future salary adjustments based on these findings.

Status of July 1, 2025 Loan Repayments

Mr. Skruck reported that there are currently four delinquent borrowers; two are for pledged loans and two are for unpledged loans. The first pledged loan is in a community assistance program and has an outstanding balance of \$2,654. A partial payment was made, and the borrowers have informed staff

they will pay the remainder by September 1, 2025. The remaining pledged borrower is in the WPCLF program. Their amount due is \$155, which was late fees from their late January 1, 2025 payment. The borrower states they will pay this fee by September 1, 2025.

Mr. Fraizer reported on the unpledged overdue loans. A Brownfield loan was previously awarded to 75 Public Square, which has previously been discussed with the Board. 75 Public Square had a \$77,000 payment due, indicated it would be paid by the end of last month, and then missed the deadline. Mr. Fraizer stated that OWDA has continued to be a good partner to them, and he feels the time has come to discuss the next steps at the August board meeting. The other delinquent unpledged loan is Home Avenue at the Wright Brothers location. They unfortunately had a fire; and since then, the loan has been transferred to the City of Dayton.

To provide context, Mr. Fraizer stated that OWDA invoiced hundreds of millions of dollars to our customer communities; and currently there is less than \$3,000 outstanding anticipated to be received by September 1, 2025. OWDA is on pace to loan a record-setting \$2.5 billion this year.

Mr. Reis asked for more details on the 75 Public Square loan. Mr. Gill stated that the loan was approved in January 2019 and funded in January 2022. Their first payment was due July 2022. To date, they've made one payment of approximately \$65,000. Mr. Fraizer reiterated that it will be appropriate for the Board to have further conversation regarding this debt at the next Board meeting.

#### Monthly Financial Report

Mr. Skruck reviewed the monthly financial report. Graphs were presented showing lending capacity with the proceeds from the DWAF issuance. He feels ODWA is comfortably capitalized in that fund for another year. For WPCLF, he anticipates going back to the bond market in November-December 2025 to get more cash. Mr. Skruck stated that there is enough capacity in FW for now and anticipates two transactions for this fund in 2026. He said project cash on hand is well capitalized for now; yet he stressed that cash should never get too low in anticipation of large projects that will come forward.

As he does during each board meeting, Mr. Skruck provided an in-depth analysis on one subject area. This month's choice was the Strategic Initiatives Fund (SIF). He stated that this fund has the most flexibility for lending and granting. He reviewed the current invested balance and explained that grant funding, H2Ohio and regional water studies comprise most of the restricted funds. The Board has discretion with the remaining unencumbered funds.

The SIF gets replenished in several ways. It receives money from loan repayments, investment income and an allotment from the Fresh Water surplus.

Mr. Fraizer stated this is an area where he is focusing attention. Since the state budget is now completed, he will reach out to agency partners to discuss administrative strategies enabling OWDA to be a good partner across the state.

**X. OTHER BUSINESS**

Discussion on Rationale Statement for Municipal Advisor RFP

Mr. Fraizer started the discussion by sharing a draft rationale statement on issuing a request for proposal (RFP) for municipal advisor for the Board's review. He stated that PFM was most recently contracted through an RFP approximately 4.5 years ago as municipal advisor, although their history goes back further. He asked if the Board would like staff to issue an RFP and start the municipal advisory position on a five-year cycle. Mr. Fraizer stated that this topic is for discussion only, and a formal proposal could be approved at a later meeting. Chairman Browning added that this is about good management of a public entity.

Board Member Smith asked if five years is consistent with the time span of our other contracts. Mr. Fraizer responded that other contracts have been for non-specified terms and have gone longer than five years. Chairman Browning wrapped up the discussion saying that an RFP will be presented to the Board for review and approval at the next meeting.

Discussion and Potential Policy Adoption on the Topic of Program Concentration

Chairman Browning introduced this topic, stating that as everyone knows, OWDA is growing dramatically. The current pattern shows that 90% of the loan volume is going to approximately 10% of the borrowers. Chairman Browning noted that although OWDA is not a bank, if we were a bank and OWDA money was concentrated with a handful of borrowers, it would be a concern. If something were to happen to a major borrower, it would create a ripple effect. Therefore, this discussion relates to potential policies on caps, tiers, and examining if there should be limits on borrowers to protect OWDA's mission.

Mr. Fraizer provided a draft policy for the Board to consider, and noted that staff presented a rationale statement and background last month. The policy presented conforms with what was submitted to the Board last month, with the exception of general obligation rates being recommended to be removed from the policy. The additional information requested by Mr. Reis related to the background on the City of Detroit was also provided.

Private lending institutions have thresholds of up to 25%, but as OWDA is not a private lending institution, this model may not have value in comparison. An important fact for consideration is that the City of Columbus, between the two EPA programs, has a little over 26% concentration. Another important background fact for consideration is that the credit rating agencies indicate 30 to 35% concentration would not be an issue for credit ratings. At a high level, rating agencies consider multiple factors such as excess funds, diversity of borrowers, and other factors, and these factors build upon themselves to give this agency robust capacity.

As there are no other organizations operating like OWDA to model a template from, Mr. Fraizer stated that this document presented is based on facts and logic, but ultimately the policy is a judgment call from the Board. For example, Providence, Rhode Island has a 60% concentration level in their program, but that is where the state's population is concentrated therefore it doesn't cause problems with the rating agencies.

Mr. Fraizer gave an overview of the policy, including the concentration thresholds, two policies that apply once a level has been reached, including parity liens and increased coverage levels, and other optional tools to implement once a party becomes a high-concentration borrower. High concentration borrowers would have parity liens for new loans and increased coverage levels. There was a Board discussion on what the proposed concentration levels should be and what circumstances parity liens should be introduced to a borrower.

Chairman Browning asked for input from Ms. Cameron Mitchell regarding parity. She stated that parity is relatively common and explained there are some programs, such as Rural Development, that accept a subordinate lien. She also indicated that some borrowers who are well established may take a subordinate lien. Ms. Cameron Mitchell stated that coverage over one times is also common.

Board Member Stewart asked what the impact is on rate-paying customers when the borrower's coverage rates increase. Mr. Skruck responded with an explanation of the cumulative coverage calculation. It is based on cumulative surplus, plus annual revenues, divided by current debt service, plus the debt service of the loan to obtain the 1.05 coverage requirement. He stated that most borrowers have a cumulative surplus, and the only way to reduce it if they feel it's too high is to operate in an annual deficit. Mr. Skruck explained that if a customer is not at 1.05 coverage, the Board will need to develop a timeline so they may transition their rates to meet the requirements.

Mr. Reis expressed his opinion that all new debt should be parity debt. Mr. Skruck indicated that from his perspective, he does not believe this is necessary. OWDA's smaller borrower would need bond counsel and to get legal opinions. This would increase expenses and create an administrative burden on them. Mr. Skruck stated that creating parity liens on all new debt could potentially decrease loan volume by 30-40%. For concentrated borrowers, it makes sense; and perhaps the Board could revisit the subject if OWDA experiences increased default levels from borrowers.

Ms. Holtshouse inquired when OWDA's 1 times coverage originated. Mr. Fraizer responded that to his knowledge, it's been more than 15 years. Ms. Holtshouse also asked what the burden on staff will be in making the coverage calculations. Mr. Fraizer responded that since there are few customers that fall into this category, he anticipates the calculation would only be done twice annually. Mr. Skruck stated that the query is set internally so that the concentration calculations could potentially be run automatically in approximately 30 minutes after each board meeting. He noted that OWDA currently has four borrowers that could fall within the concentration parameters: City of Columbus with 26%, Northeast Ohio Regional Sewer District with 10%, City of Akron with 10%, and Hamilton County Sewer with 5.5%.

Mr. Callender added that to be clear, there are two different rate coverages for OWDA operations. There is a rate coverage on bonds versus the rates on the loans to individual communities. He stated that to his historical knowledge, OWDA has operated at 1 times coverage since the early 1990s.

Chairman Browning commented that OWDA is in a new era. The adjustments made must be manageable for OWDA and for borrowers. There is currently over \$12 billion in outstanding debt, and the City of Columbus has over \$2 billion of that debt just on wastewater.

Mr. Skruck stated that for these reasons, OWDA is creating a debt analyst position that will work closely with the loan team on significant borrowers. He believes that for OWDA to have a serious problem, a borrower would have users that are not current on their utility bills. The debt analyst

would get information on these delinquencies so OWDA would know of potential problems in advance. The debt analyst would follow up on subsequent debt issuances, work with the Auditor of State to validate numbers, and much more. The goal is to hire this additional staff member by January 1, 2026.

Mr. Reis circled back to the previous discussion on parity on all new loans with Mr. Callender. Mr. Fraizer noted that the proposed Board resolution includes a provision for staff to convene a small group study session for borrowers to obtain feedback on the impacts for requiring parity for all loans. A Board member raised the concern that requiring parity on all new loans is a solution in search of a problem that does not exist.

Mr. Fraizer reviewed the remainder of the policy, including the potential tools or options to be implemented for high concentration borrowers. Mr. Whistler stated that the proposal was done well, and he appreciates the steps in place to identify problems before they escalate. The information Ms. Cameron Mitchell provided on the City of Detroit was appreciated for its context to the Board.

Chairman Browning concluded the conversation stating that the Board will reconvene discussion on this policy next month. He encouraged Board members to voice any questions or concerns they have in the interim.

## **XI. EXECUTIVE DIRECTOR'S REMARKS**

Mr. Fraizer stated that parts of his comments were shared throughout the meeting. He appreciated the earlier question from Ms. Holtshouse regarding staff being over stretched. He said staff is doing more than ever, and we will continue to do so. He estimates that 25 hours per week, between staff and consultants, is spent on board memorandum, board management, and board work. Although staff is very busy, seeing the impact of what OWDA is doing to get people clean water and helping to clean up long-standing problems is a great place to be. He appreciates the team for helping get the organization where it is.

## **XII. CHAIRMAN'S REMARKS**

Chairman Browning presented a draft document of OWDA Dashboard Metrics. He asked the Board to consider if it would be helpful to have easily accessible information on a handful of subject areas. He stated that he put the information together with input from Mr. Whistler to make up eight categories. His sense is that less is more; and the whole point of doing this exercise is to provide clarity out of complexity. He wants the Board to consider what is needed in order to create a template that can easily be updated. Mr. Whistler stated that it's a great list as it creates awareness of how OWDA programs are working and provides trust in the organization. Chairman Browning asked everyone to give this consideration before the next meeting.

\*\*\*\*MOTION\*\*\*\*

Chairman Browning called for a motion to adjourn the meeting.

Moved by Mr. Stewart.  
Seconded by Mr. Smith.

Motion passed unanimously.

The meeting adjourned at 12:22 p.m.

  
CHAIRMAN

  
SECRETARY-TREASURER

**Exhibit A**  
**Fresh Water Loan Fund Program**  
**07/31/2025 Board Meeting**

<b>Account</b>	<b>Local Government Agency</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Loan Amount</b>	<b>Interest Rate</b>	<b>Term (years)</b>
11419	Avon Lake, City (Lorain)	2025 Water Bundle	Construction of 23,000 feet of waterline, 2,300 feet of storm sewer, and 423 water meters to replace aging infrastructure throughout the city.	\$17,873,717.54	4.38%	30
11438	Columbus, City (Franklin)	Hudson/Arcadia 24-inch Transmission Main	Design of 3,500 feet of waterline along Hudson, Arcadia, and N. 4th Streets to replace aging waterlines.	\$581,581.00	4.76%	5
11433	Geneva, City (Ashtabula)	2025 Sewer Jet/Vac Truck	Purchase of a jet/vacuum combination truck to assist with maintenance of the sanitary and storm sewer systems.	\$591,269.21	4.17%	7
11437	Waverly, Village (Pike)	SR 220 Standpipe Improvements	Design of improvements to a water storage tank located on SR 220, including a new coating system, seam repairs, concrete protection, and safety updates.	\$44,400.00	4.76%	5

**Exhibit B**  
**Fresh Water Loan Fund Program**  
**07/31/2025 Board Meeting**

<b>Account</b>	<b>Local Government Agency</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Loan Amount</b>	<b>Interest Rate</b>	<b>Term (years)</b>
10926	Columbus, City (Franklin)	WWTF Instrumentation & Control Integration Phase 3	Implementation of instrumentation & control integration and programming to improve SCADA systems and provide integration for newly constructed capital improvements at the two WWTPs, the Sewer Maintenance Operation Center, and the composting facility. Supplement No. 1 is for additional engineering services.	\$501,750.00	4.76%	5

**Exhibit C**  
**Fresh Water Refinancing Loan Fund Program**  
**07/31/2025 Board Meeting**

<b>Account</b>	<b>Local Government Agency</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Max Loan Amount</b>	<b>Min Interest Rate</b>	<b>Est Term (years)</b>
11371	Toledo, City (Lucas)	Refinance of Water Revenue Bonds Series 2015	Refinance of Water System Revenue Bonds Series 2015 with a principal balance of \$11,635,000 and an existing interest rate of 5% for the construction of waterlines and WTP upgrades to replace aging infrastructure and improve operations. Loan qualifies for the tax-exempt rate.	\$12,125,000.00	2.050	5

**Exhibit D**  
**Drinking Water Assistance Loan Fund Program**  
**07/31/2025 Board Meeting**

<b>Account</b>	<b>Local Government Agency</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Loan Amount</b>	<b>Interest Rate</b>	<b>Term (years)</b>
11460	Barnesville, Village (Belmont)	North Waterline Extension	Design of one booster station and 38,000 feet of waterline along S.R. 800, Old National, Fair, and Mt. Olivett Roads to extend service to the unincorporated area of Hendysburg, the Village of Fairview, and the Mount Olivette loop.	\$568,845.01	0.00%	5
11448	Canton, City (Stark)	Cromer Water Storage Reservoir Replacement	Construction of 15 MG water storage reservoir to replace the existing reservoir, which has exceeded its useful life.	\$17,734,260.68	3.70%	25
11451	Coal Grove, Village (Lawrence)	Emergency Interconnect Repair with Ironton	Construction of an interconnection waterline to the City of Ironton, one booster station, and SCADA system improvements to replace the existing emergency interconnection which has exceeded its useful life.	\$144,410.00	3.01%	20
11450	Greenville, City (Darke)	New Water Tower - East	Construction of a 1.5 MG water storage tower to replace two existing towers that have exceeded their useful life.	\$8,405,292.00	3.70%	30
11442	Mid-Ohio Water & Sewer District	SR 161 Waterline Extension	Design of a water storage tank and waterlines along SR 161 from the Village of Plain City to the Madison County border to extend service to users currently served by private wells.	\$719,078.00	0.00%	5
11447	Trenton, City (Butler)	Water System: 1.5 MG Elevated Storage	Construction of a 150,000 gallon water storage tank to provide additional storage capacity and system pressure.	\$10,151,875.40	3.70%	30
11457	Wellington, Village (Lorain)	West and John St Water Improvements	Construction of 2,900 feet of waterline along West and John Streets to replace aging waterlines.	\$408,288.04	3.01%	30

**Exhibit E**  
**Water Pollution Control Loan Fund Program**  
**07/31/2025 Board Meeting**

Account	Local Government Agency	Project Name	Project Description	Loan Amount	Interest Rate	Term (years)
11453	Bowling Green, City (Wood)	WPCF Final Clarifier Improvements	Construction of two new final clarifiers and improvements to two existing clarifiers at the WPCF to increase capacity and replace aging equipment.	\$11,525,400.00	0.17%	30
11443	Columbus, City (Franklin)	SWWTP Chlorine Contact & Sludge Dewatering HVAC	Construction of HVAC and air purification improvements in the chlorine control and sludge dewatering buildings at the Southerly WWTP to replace equipment that has exceeded its useful life.	\$1,196,800.00	3.51%	20
11444	Columbus, City (Franklin)	BP Hilltop - Palmetto Westgate LL, Phase 1	Rehabilitation of 750 sanitary sewer service laterals within the Hilltop area to reduce stormwater from entering the sanitary sewer system.	\$8,124,004.40	3.41%	20
11459	Hamilton County	LMWWTP Solids Disposal with Odor Control	Construction of biosolids handling improvements at the Little Miami WWTP to allow the facility to serve as a regional solids handling provider for MSDGC's WWTPs and to allow for onsite use of the produced biogas.	\$224,915,777.10	3.51%	30
11445	Heath, City (Licking)	Hoback Express Sewer	Design of 13,500 feet of force main, one lift station, and a 1 MG equalization basin to be located at the WWTP to increase conveyance capacity of the collection system.	\$742,824.00	0.00%	5
11446	Norwalk, City (Huron)	WWTP Improvements	Construction of WWTP improvements, including new tertiary treatment, UV disinfection, and sludge dewatering upgrades, to increase the treatment capacity to 15 MGD.	\$20,218,750.00	2.70%	30
11446	Norwalk, City (Huron)	WWTP Improvements	Construction of WWTP improvements, including new tertiary treatment, UV disinfection, and sludge dewatering upgrades, to increase the treatment capacity to 15 MGD.	\$50,000.00	P/F	30
11449	Ohio & Lee Twp Water & Sewer Authority	Sardis Phase 2 WW Collection & Treatment System	Construction of a wastewater collection and treatment system to provide service to 300 users who are currently served by onsite treatment systems in the unincorporated area of Sardis in Monroe County.	\$4,000,000.00	P/F	20
11449	Ohio & Lee Twp Water & Sewer Authority	Sardis Phase 2 WW Collection & Treatment System	Construction of a wastewater collection and treatment system to provide service to 300 users who are currently served by onsite treatment systems in the unincorporated area of Sardis in Monroe County.	\$394,220.16	0.00%	20
11441	Trumbull County	Smith Stewart Road Sanitary Sewer Improvements	Construction of 1,900 feet of sanitary sewer along Smith Stewart Road to extend service to 15 users currently served by onsite treatment	\$310,386.64	0.00%	30

**Exhibit E**  
**Water Pollution Control Loan Fund Program**  
**07/31/2025 Board Meeting**

<b>Account</b>	<b>Local Government Agency</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Loan Amount</b>	<b>Interest Rate</b>	<b>Term (years)</b>
			systems in Vienna Township.			
11357	Warren, City (Trumbull)	Grandview and Pine Interceptor Relief Sewer	Construction of 11,700 feet of sanitary sewer and 700 feet of storm sewer along Grandview and Pine Avenues to increase conveyance capacity and reduce basement flooding.	\$3,424,493.00	3.51%	20
11357	Warren, City (Trumbull)	Grandview and Pine Interceptor Relief Sewer	Construction of 11,700 feet of sanitary sewer and 700 feet of storm sewer along Grandview and Pine Avenues to increase conveyance capacity and reduce basement flooding.	\$4,000,000.00	P/F	20
11455	Wellington, Village (Lorain)	Parkside Sanitary Pump Station	Construction of a pump station to replace the Parkside pump station, which has exceeded its useful life.	\$1,168,073.00	1.00%	30
11456	Wellington, Village (Lorain)	West Street Sewer Improvements	Construction of 1,300 feet of sanitary along West Street to replace aging sewers.	\$1,138,034.93	1.00%	30

**Exhibit F**  
**Water Pollution Control Loan Fund Program**  
**07/31/2025 Board Meeting**

<b>Account</b>	<b>Local Government Agency</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Loan Amount</b>	<b>Interest Rate</b>	<b>Term (years)</b>
9754	Wapakoneta, City (Auglaize)	WWTP Expansion	Construction of WWTP improvements to expand treatment capacity to 52 MGD and reduce sewer overflows. Supplement No. 1 is for change order work.	\$3,000,000.00	3.01%	29

**Exhibit G**  
**Un-Sewered Area Assistance Fund Program**  
**7/31/2025 Board Meeting**

<b>Account</b>	<b>Local Government Agency</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Grant Amount</b>
11431	Ohio & Lee Twp Water & Sewer Authority	Sardis Phase 2 WW Collection & Treatment System	Construction of a wastewater collection and treatment system to provide service to 300 users who are currently served by onsite treatment systems in the unincorporated area of Sardis in Monroe County.	\$250,000.00
11087	Wayne County	Sterling Wastewater Treatment & Collection System	Construction of a collection system and a WWTP to provide sanitary service to 139 residential and 13 commercial users in the unincorporated area of Sterling who are currently served by onsite treatment systems.	\$250,000.00