



**MINUTES OF MEETING
OHIO WATER DEVELOPMENT AUTHORITY
OCTOBER 30, 2025**

Chairman Browning called the monthly meeting of the Ohio Water Development Authority (OWDA) to order at 10:30 a.m. on Thursday, October 30, 2025. Pursuant to the notice in compliance with the provisions of R.C. 121.22, the meeting was held at the offices of the OWDA, 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)
Kevin Giangola	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
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, Executive Director, 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 September 25, 2025

****MOTION****

Chairman Browning called for a motion to approve the September 25, 2025, regular Board Meeting minutes.

Moved by Mr. Stewart.

Seconded by Mr. Whistler.

Motion passed unanimously.

II. GENERAL LOAN INFORMATION

Board Summary Report

Mr. Skruck, Chief Financial Officer and Secretary Treasurer, provided information on the loans, including a list sorted by program, along with loan amount, term, rate, and a description of the project. The year-to-date lending volume in each program was also provided.

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.

III. INDUSTRIALS

Presentation and Request for an Amendment of the Inducement Resolution

Mr. Fraizer, Executive Director, introduced the Intel Corporation's (Intel) request for an amendment to the Inducement Resolution approved by the Board in February 2024. Mr. Fraizer summarized this Board action giving Intel the ability to pursue conduit financing through the Ohio Water Development Authority (OWDA) with tax exempt status. He said the agreement has a sunset provision at the end of this calendar year; therefore, Intel is seeking approval for an amendment at the December 2025 meeting.

Ms. Courtney Martin, Intel Corporation State Government and Public Affairs Director, provided the Board with an update on their Ohio One project. She said the company began working in December 2022 on the manufacturing campus in New Albany, Ohio; its first U.S. greenfield site in more than 40 years.

Ms. Martin stated that Intel is committed to advancing technology and manufacturing leadership specifically in the U.S. Based on the progress made to date in Ohio, they plan to continue a flexible timeline approach to maximize the market and customer-driven demand to complete the site. Over the last three years, Intel has made steady progress working on the first and second fabs, as well as its utility infrastructure, including a boiler, chiller plant, ultrapure water building, and a water treatment

facility. She said construction is ongoing and will be continuous until the site is operational. The company expects completion of the first fab in 2030, with the second fab to be completed in 2031.

Ms. Martin explained that building semiconductor fabs is extremely complex due to the massive scale, precision and predictability needed in the clean room and support buildings. She said the fabs are four stories, with a fan deck, clean room, sub fab equipped with tools and materials, and finally a utility floor. Ms. Martin said the early phases of construction are underground, and then they build upwards. The total spending to date has been over \$3.7 billion with an additional \$3.2 billion contractually committed to investments, totaling nearly \$7 billion thus far for the Ohio One project.

Intel's Ohio footprint has grown to over 400 suppliers from more than 48 counties, including tier one and tier two suppliers. Ms. Martin provided some thought-provoking statistics to provide a sense of the size and scale of this project in the first three years: they have completed 9.4 million work hours; trades from 83 of Ohio's 88 counties have worked on site; more than 850 specialized trades have worked on site; the concrete poured so far could fill 13 football stadiums; 30,000 tons of rebar has been installed equal to the weight of approximately 10,000 male African elephants; and 1.1 million linear feet of underground conduit has been installed that would equal just over 3,600 football fields end-to-end. Ms. Martin shared photos to visualize progress made on campus from December 2022 to September 2025.

Ms. Martin said Intel is continually aware of their sustainable water management approach. They're currently constructing a water treatment facility on campus with recycling capabilities. The company's global strategy has three pillars: reduce usage; re-use where possible on campus and also what is discharged back into the municipal infrastructure; and restore water to local watersheds impacted by the company. Once implemented, the water treatment facility will restore an additional 27 million gallons of water per year.

Intel is making investments beyond its physical campus. Ms. Martin stated they're working to develop a workforce that is aware of the semiconductor business and specializes in the skill sets needed. She said the company has invested more than \$20 million in direct grants to colleges and universities in the state, as well as \$3 million in equipment donations. Intel has engaged with thousands of students and hundreds of faculty members in Ohio. They're also focusing on K-12 aged students to create awareness of the industry and to encourage exploration of the pathway to future career opportunities. She said Intel recently signed a memorandum of understanding (MOU) with the Ohio Department of Education allowing the use of Intel's artificial intelligence (AI) curriculum at no cost for integration into the K-12 AI strategy state-wide.

In closing, Ms. Martin stated that Ohio continues to be part of Intel's long-term business plan and strategy to expand advanced manufacturing in the U.S. Part of this strategy is to time their investment with customer demand. She said they appreciate OWDA's consideration of Intel's request to approve the extension of the current inducement resolution.

Mr. Fraizer provided context, explaining that every state receives an allocated tax-exempt volume cap that can be drawn upon between the different state agencies. It is managed by the Ohio Department of Development (Development). The excess not utilized by state agencies goes into a pool which can then be designated for private industries; and this is where the Intel project funds are derived. Mr. Fraizer said this inducement resolution will allow Intel to incur costs that will be covered by tax-exempt financing with a bond in the future.

Mr. Kevin Giangola, Ohio EPA Board designee substituting for Shelby Croft, asked how the debt is serviced. Mr. Fraizer responded, explaining that Intel is responsible for the payment structure since the debt is a private bond. He stated that OWDA can only endorse this as a tax-exempt project, and anything outside of this purview must be done by the corporation. Ms. Allison Binkley, Bond Counsel, Squire Patton Boggs LLP, stated that when the bond documents are drafted and executed, Intel revenues are pledged. She said these payments from Intel go to a trust so that no OWDA revenues are used to pay the debt service.

Board Member Reis asked if Intel already knows their volume cap. Mr. Matthias Edrick, Kutak Rock, LLP, bond counsel to Intel, explained that no volume cap is being requested at this time. He said they are establishing a timeline to ensure Intel can issue bonds at the appropriate time for costs the corporation has been paying since January 2024. When it is time for the bond issue, the OWDA Board will have the opportunity to consider the approval of a resolution for the actual bond issuance. In conjunction, the Board will be requested to allocate a volume cap. Mr. Edrick confirmed that no volume cap is currently being requested.

Chairman Browning asked if Intel expects to come back again with further extension requests. Ms. Binkley stated that if the Board approves this resolution in December, it will be a one-year extension. If Intel is ready to issue the bonds in a year, they will need to come back to the Board for a bond resolution approval for the bonds to be issued. She said if they're not ready in a year, then Intel will ask for another extension.

Mr. Reis asked for confirmation that this is an inducement resolution request. Ms. Binkley confirmed it is. Mr. Reis then asked if Intel's bond issuance is a reimbursement for expenses. Mr. Edrick said yes, part of the bond issue will be to reimburse Intel for the costs they have paid, starting in January 2024. He explained that the inducement sets the timeline so that reimbursement is possible.

Mr. Reis asked if the state of Ohio has surplus volume cap. Ms. Binkley responded, saying there are a variety of categories, and Intel can apply for an allocation from the Department of Development that will be needed for the bond issue. Mr. Ryan Callendar, OWDA Bond Counsel, Squire Patton Boggs LLP, reminded Mr. Reis that many presentations have been made to the Board over the years, and none have used the volume cap. Mr. Reis said his concern for Intel is the volume cap could disappear.

Mr. Fraizer explained that the volume cap is a yearly IRS tax formula allocation based upon the state's population. Depending upon its usage, it can vary from year to year. After it's allocated, users have three years to spend the money.

Mr. Fraizer asked the Intel representatives if they knew the amount of their final request. Mr. Edrick stated they do not know the exact dollar amount yet. He said Intel is aware the date the bonds are issued will dictate the volume cap available at that time. They also know that volume cap can be carried forward for three years after the year of allocation. Mr. Edrick said that Intel understands that if for some reason congress changes the current law, the volume cap might not be available.

Chairman Browning wrapped up the discussion stating that this potential inducement resolution is about meeting the applicable rules and regulations of the state of Ohio.

IV. FRESH WATER LOAN FUND PROGRAM

Projects and Authorizing Resolution 62-25

Ms. Killian, Loan Officer, advised the Board of 11 Fresh Water Loan Fund Program loans this month under Resolution 62-25; five are for construction and six are for planning. There are four loans for Columbus and individual loans for Byesville, Girard, Marengo, Strasburg, Toledo, Waverly, and West Farmington. The loan for West Farmington qualifies for the Community Assistance rate. The projects listed in the attached Exhibit A were presented. The total loan amount is \$11,776,981.89.

******RESOLUTION******

For the Fresh Water Loan Fund Program, Chairman Browning called for a motion to approve Resolution 62-25 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.

V. FRESH WATER REFINANCE LOAN PROGRAM

Tax-Exempt Projects and Authorizing Resolution 63-25

Ms. Killian advised the Board of two Fresh Water Refinance Loan Program loans under Resolution 63-25 this month that qualify for tax-exempt rates. The loans for Cleveland and Dunkirk as listed in Exhibit B were presented. The total loan amounts will not exceed \$29,600,000.00 and will have minimum interest rates of 2.71% and 2.0% respectively.

******RESOLUTION******

For the Fresh Water Refinance Loan Fund Program, Chairman Browning called for a motion to approve Resolution 63-25 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. Whistler.
Seconded by Mr. Stewart.

Motion passed unanimously.

VI. DRINKING WATER ASSISTANCE LOAN FUND PROGRAM

Projects and Authorizing Resolution 64-25

Ms. Killian advised the Board of 17 Drinking Water Assistance Loan Fund Program loans under Resolution 64-25 this month; six are for planning/design and 11 are for construction. Three loans are receiving lead service line funding: one for Cincinnati and two for Cleveland. In addition, there are two loans for Akron, Cleveland, and Wadsworth; and individual loans for Bowerston, Catawba, Cincinnati, Dayton, Franklin, Johnstown, Kenton, Licking County, Matamoras, Silver Lake, and Woodville. The projects listed in the attached Exhibit C were presented. The total loan amount is \$128,851,896.24.

****RESOLUTION****

For the Drinking Water Assistance Loan Fund Program, Chairman Browning called for a motion to approve Resolution 64-25 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 Ms. Bankey.

Motion passed unanimously.

Mr. Fraizer paused at this point in the meeting to share with the Board and guests that upon approval of the last motion, the organization passed the \$2 billion milestone for loans approved in a single calendar year. This achievement marks the first time in OWDA history, since its inception in 1968, to make such an impact for the common good of Ohioans.

Approval of Modifications and Authorizing Resolution 65-25

Ms. Killian advised the Board of two Drinking Water Assistance Loan Fund Program modifications under Resolution 65-25 for the City of Delphos, at the request of Ohio EPA, to change the first payment date from January 1, 2027, to July 1, 2027.

****MOTION****

Chairman Browning called for a motion to approve Resolution 65-25 authorizing Drinking Water Assistance Loan Fund Program modifications for the City of Delphos.

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

Motion passed unanimously.

VII. WATER POLLUTION CONTROL LOAN FUND PROGRAM

Projects and Authorizing Resolution 66-25

Ms. Killian advised the Board of 12 Water Pollution Control Loan Fund Program loans under Resolution 66-25 this month; three are for planning/design and nine are for construction. There are two loans for Hamilton County and individual loans for Baltimore, Bowerston, Columbus, Darke County, Defiance, Lakewood, Lorain, Preble County, Thornville, and Wadsworth. The projects listed in the attached Exhibit D were presented. The total loan amount is \$445,515,244.94.

****RESOLUTION****

For the Water Pollution Control Loan Fund Program, Chairman Browning called for a motion to approve Resolution 66-25 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.

Supplemental Project and Authorizing Resolution 67-25

Ms. Killian advised the Board of one Water Pollution Control Loan Fund Program supplement under Resolution 67-25 this month. The construction project for North Lewisburg listed in the attached Exhibit E was presented. The total loan supplement is \$202,329.00.

****RESOLUTION****

For the Water Pollution Control Loan Fund Program, Chairman Browning called for a motion to approve Resolution 67-25 authorizing supplements 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 Ohio Revised Code 6111.036.

Moved by Mr. Stewart.
Seconded by Ms. Bankey.

Motion passed unanimously.

VIII. STRATEGIC INITIATIVES FUND

Presentation of Strategic Initiatives Fund Capacity Model

Mr. Fraizer stated that the purpose of the next two items is to present a Strategic Initiatives Fund (SIF) Capacity Model and the Strategic Initiatives Partnership Program Guidelines, which will

provide opportunities for the organization to be proactive, rather than reactive. This topic introduced the rationale statement on the SIF. As the Board knows, OWDA has received funding requests from the Ohio Department of Natural Resources (ODNR), Ohio Department of Agriculture (ODA), Ohio Environmental Protection Agency (OEPA), and other requests related to H2Ohio. Adding structure and consideration to the SIF will provide a framework for OWDA to be responsible partners today and in the future.

Mr. Fraizer reminded the Board that the SIF is a stand-alone fund within the organization and is separate from the operating budget. He also described the current amount of unrestricted funding in this fund. Ms. Jessica Cameron Mitchell, Financial Advisor, PFM, was asked to run the funding model.

Before Ms. Cameron Mitchell presented the output from the models, Mr. Skruck reviewed the assumptions for the model. The SIF is funded by three different sources. Fifteen percent of the yearly Fresh Water surplus is transferred into the fund, subject to Board approval. Loan repayments from prior SIF loans rotate back into the fund; and lastly investment earnings, with an assumed conservative interest rate of 3%, contribute annually to the fund.

Chairman Browning asked Mr. Skruck why these funds are available for spending and not used for other purposes. Mr. Skruck responded that the SIF is the most flexible revolving fund, as there are no bond fund requirements attached to it, allowing these monies to be redeployed by the Board. He explained that the money coming into the OWDA is for allowable purposes under the statutory authority and program guidelines for either a loan or grant that is awarded by the Board.

Chairman Browning inquired how long it took for the fund to grow to its current level. Mr. Skruck stated that the program started in 1985, primarily because of a declining interest rate environment. At the time, OWDA refinanced its bonds and borrowers could not make pre-payments on loans, which created a unique situation of surplus loan repayments. The excess funds from Fresh Water loan repayments, and legacy programs prior to that, were put into the SIF (previously named the Other Projects Fund) where they have grown over the years. Mr. Skruck also explained that an unallocated reserve is maintained representing 1% of the outstanding loans in the Fresh Water, Community Assistance, and SIF programs as a contingency for potential repayment issues. This business practice was initiated in 1992 with Board action that created the reserve fund with \$8.3 million. Over the 33 years since that time, the 1% reserve fund has grown to the current amount of \$21.5 million. The primary programs housed under the SIF umbrella include the Local Economic Development, Onsite Stormwater, Brownfield, and Research and Development programs.

Mr. Skruck continued his assumption comments, explaining that he felt it was important to stress test the SIF to see what grant volumes it could withstand, resulting in the four different scenarios to be presented by PFM.

Ms. Cameron Mitchell provided a description of the four scenarios with varying grant amounts and reserves over a ten-year period; and then provided an analysis of how this would impact the reserve balance and future funding available to provide assistance.

Chairman Browning asked if OWDA chose to be conservative and keep the 1% reserve while maintaining a higher fund balance, is it correct to deduct that scenario two would be the option to select? Ms. Cameron Mitchell said that is correct. Chairman Browning also asked if the scenarios can

be adjusted through time. Ms. Cameron Mitchell responded that yes, OWDA conducts this modeling annually and always has the opportunity to change parameters. This model is to provide examples of how the SIF balances could move under different scenarios. She explained how variables may change over time related to interest rates and other factors that are considered over time.

Mr. Reis commented that he thinks OWDA needs a lot more money. He said over the last two months, OWDA has granted approximately \$35 million. He wants the organization to initiate a program to fund H2Ohio. He questioned that if fees are raised, and if we cut our subsidies to major issuers from 125 basis points to 75 basis points, and other ideas to raise money are considered, perhaps OWDA could grant \$50-\$75 million per year. Mr. Reis claimed that granting \$10-\$15 million per year is not significant, and from what he's observed, raising fees is not a problem.

Ms. Cameron Mitchell stated that any changes made to subsidies within the WPCLF and DWAF need to stay within those funds, and that's where there are 125 basis points of subsidy. She said those monies are only available for purposes that align with the WPCLF or DWAF programs and would therefore not be available for SIF purposes.

Mr. Reis asked if this would include H2Ohio. Ms. Cameron Mitchell responded that it depends and would need to be evaluated through the Intended Use Plan (IUP) process, and this would fall under OEPA purview. Mr. Jon Bernstein, Chief, Division of Environmental and Financial Assistance, OEPA, contributed to the discussion saying the DWAF money is restricted to the program itself and administration of the program. He said there is some flexibility with the clean water account; however, historically, it has been used for program administration and not grants. Mr. Bernstein said perhaps more could be considered in the future.

Mr. Reis asked if OWDA has the authority to provide grants under the clean water program.

Mr. Skruck said if OWDA increased fees from 35 to 55 basis points, it would generate approximately an additional \$2 million, which would not raise the funding level Mr. Reis proposed. Mr. Skruck said there are also concerns about raising fees on local government participants; and although he understands Mr. Reis' suggestion, he doesn't believe that increasing fees will produce the desired result.

Mr. Reis shared his concerns about some of the loans that have been recently approved in the last three months. He said these same loans would not have been considered even five months ago. He questioned why OWDA is doing the projects he feels Jobs Ohio and Development should be doing. He claimed that OWDA does not have the resources to continue in this manner without raising fees and reducing subsidies to major issuers.

Chairman Browning stated that OWDA has a mission. He said it seems reasonable to consider the use of unutilized funds when it's done responsibly in relation to the mission, which is the topic of the SIF discussion. He said if there were commitments already for the money, the Board would not be having this conversation. Mr. Browning concluded by saying in his opinion, considering what's reasonable is a staged strategy, and the Board should make judgements one step at a time. Currently, our advisors and the modeling are not indicating that we need a bigger reserve in the SIF.

Mr. Reis said that we spent down the reserve in this fund, but Chairman Browning and Mr. Skruck corrected him to indicate that there remains a 1% reserve.

Mr. Skruck provided further perspective saying loans in the SIF program will revolve. He said the loan volume in the SIF has significantly declined since the pandemic because groups had more cash available during that time. He projects that loan volume will return closer to the \$20 million assumption because OWDA's normal clientele have less cash now. Mr. Skruck stated that the available balance in the SIF has grown by nearly \$25 million since 2020.

Mr. Reis stated that this would be enough money for H2Ohio. Chairman Browning said his philosophy is the Board is brainstorming ways to be good partners, not taking care of an entity.

Mr. Reis restated his opinion that OWDA needs more reserves.

Board Member Whistler thanked Ms. Cameron Mitchell for creating the model and Mr. Skruck for the background information. He asked if all the scenarios were created with the thereafter approach going into the future. Ms. Cameron Mitchell responded that yes, they could continue at that pace going forward from the year 2035.

Mr. Whistler asked to confirm his understanding that the models did not account for inflation. Ms. Cameron Mitchell said yes, the models were created as a point in time.

Mr. Skruck pointed out that in scenario two, the available balance starts to increase in 2031 when the model goes back to \$6 million grants. He considers this to be the "sweet spot". Granting over \$6 million per year causes the account to continue to deplete, while maintaining \$6 million in grants creates growth opportunities.

Mr. Fraizer said that while the Board is considering ways to support H2Ohio endeavors for the next two years, it's important to remember that the projects have a long build life for the money to be fully disbursed from OWDA. The interest will continue to compound until the money is disbursed.

Mr. Skruck said from a broad perspective, OWDA has limited resources. The Fresh Water program is a core mission program. If too much money is siphoned off, he is concerned that OWDA might need to start turning down some loans.

Mr. Whistler said the idea of OWDA raising fees to create a bigger pot to work with, when the organization is in partnership with a broader and accountable administration, doesn't align with the organization's mission.

Chairman Browning stated that to be consistent with the model, the Board must consider this one-time grant making. He said OWDA can't make long, multi-year, open-ended commitments as the organization doesn't have those resources.

Board Member Holtshouse asked how consistent OWDA has been in making the yearly \$6 million grants. Ms. Cameron Mitchell responded that it's been relatively consistent over the last four or five years. Part of the process has been to make decisions on an individual basis as requests were made. She said this has resulted in OWDA not consistently considering the long-term effects on the budget.

Mr. Skruck said the approved grants over the years have been stretched far, most notably for unsewered area work, Research and Development, stream gages, and the Rural Community Assistance Partnership (RCAP).

Ms. Holtshouse asked for background information on the unallocated reserve fund. Mr. Skruck replied that it was created in 1992. OWDA had just started the Fresh Water program and had an A rating at the time. At the time, the Board thought the reserve was needed in case there were defaults in loan repayments for the Community Assistance Program, SIF programs, or Fresh Water program. To date, the reserve has never been used. Mr. Skruck said it's recalculated yearly after the audit is completed.

Mr. Fraizer informed the Board that typically the U.S. Geological Survey team would be at the October meeting to present a funding request. With the current federal government shutdown, this was not possible. He anticipates their funding request will be coming soon.

Presentation and Possible Adoption of Strategic Initiatives Partnership Program Guidelines

Mr. Fraizer reminded the Board that last month the overall SIF policy document was reviewed. The Board directed staff to develop program guidelines to assist them with the goal of being proactive versus reactive. Mr. Fraizer said this SIF Partnership Program has not previously been in existence. He explained that the document is consistent with the discussion at the last Board meeting. Some of the information in the guidelines is modeled after the Research and Development grant program, yet it's developed further to be used for regional, large-scale planning projects of significance. Staff is also proposing an application process with this new program.

Chairman Browning said he thinks this is good as OWDA is working to rationalize the work being done. The goal is to be better partners in the process while instituting appropriate funding levels with transparency and accountability.

Mr. Fraizer said if the Board adopts the program guidelines, they will be placed on the OWDA website under the Program Guidelines tab.

Mr. Reis asked for an example of a loan under this program. Mr. Fraizer responded that the recent loan to Fayette County would fit the criteria. Chairman Browning said ODNR's presentation last month for H2Ohio-related projects would also fit, as well as a former presentation from the Ohio Lake Erie Commission.

Chairman Browning stated that this new program shows how OWDA can play a small part in a staged strategy. He's hopeful there can be some resulting synergies on the conceptual level of projects.

Mr. Reis stated that he doesn't like the fees. Mr. Fraizer responded that there would be fees for SIF loans.

Mr. Whistler said OWDA is the steward of the funds to use them for the best public policy for the state of Ohio. He said the Board does not have the funds, nor the power, to control all the decisions of the state. He feels that OWDA is partners in stewarding the funds of the Authority, and the administration is the leaders in the state to determine what the projects are. Mr. Whistler said OWDA doesn't need to raise revenues beyond what the Board is stewarding now in order to go out on its own. He doesn't think this is the point of the fund or OWDA's role.

Mr. Reis said he doesn't agree with Mr. Whistler.

Mr. Skruck added that expenses and revenues are both increasing.

Mr. Reis said other agencies have fees of more than 35 basis points. Mr. Fraizer said the national average is 50 basis points.

Mr. Whistler said he thinks the conversation about fees is separate from the SIF fund.

Chairman Browning asked what rationalization was used to determine the fees in the draft guidelines. Mr. Fraizer responded that they are consistent with the fees in the general program guidelines. He said it's his understanding that the 35 basis points in the DWAF is in the Ohio Revised Code. Mr. Callender said it's a combination between federal and state statute. Mr. Bernstein added that it's in the Revised Code and is restrictive for DWAF.

Ms. Cameron Mitchell said that examples cited in the Underwriter Request for Qualifications (RFQ) were for other State Revolving Funds (SRF) from the standpoint of federal loan programs. There is a wide range from which those fees are charged. Often fees are not only for the administration of the financing, but also the administration of the environmental programs themselves. She said there are limited uses to these funds. The money can't automatically be used for anything other than making additional loans through the designated programs.

****MOTION****

Chairman Browning called for a motion to approve the adoption of the Strategic Initiatives Partnership Program guidelines.

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

Motion passed unanimously.

Approval of Ohio Department of Natural Resources H2Ohio Grant Request

Chairman Browning stated that the Ohio Department of Natural Resources (ODNR) made a presentation at last month's meeting for the Board's consideration. He asked Mr. Eric Saas, ODNR Wetlands Program Manager, if he had any further comments to share. Mr. Saas thanked the Board for their consideration of the proposal and said ODNR appreciates the strong partnership with OWDA. He said the list of projects for consideration was not random. They chose the best and most effective, efficient and ready-to-move projects they had for the proposal.

Mr. Fraizer said Mr. Saas summarized it well. The projects can be sustained. Mr. Fraizer said under the newly adopted Strategic Initiatives Partnership Program Guidelines, it is requested for the Board to approve \$9,950,483 in grants for the ODNR-H2Ohio projects as listed in Exhibit F.

****MOTION****

Chairman Browning called for a motion to approve a Strategic Initiatives Partnership Program grant to ODNR for \$9,950,483 for the H2Ohio projects as outlined in Exhibit F.

Moved by Mr. Stewart.
Seconded by Mr. Whistler.
Abstained by Ms. Bankey.

Motion passed unanimously.

Presentation of Ohio Environmental Protection Agency H2Ohio Grant Request

Mr. Fraizer introduced Mr. Mark Johnson, Assistant Director, OEPA, to make their grant request presentation.

Mr. Johnson thanked the Board for the invitation to speak. He said the partnership with OWDA aligns with the mission of both agencies. Mr. Johnson shared that OEPA has focused primarily on infrastructure projects state-wide for H2Ohio. Since H2Ohio's inception, they've touched all 88 counties and spent over \$91 million. He reported that all this funding was put back into Ohio communities while OEPA absorbed costs relating to staffing, administration and more. Much of the money spent focused on critical drinking water and sewer infrastructure projects. Mr. Johnson said they've partnered with Development, OWDA and their internal SRF program to help fill funding gaps in finishing projects. With the H2Ohio money, OEPA has been able to complete projects across the state and quickly grant funds to get clean water and clean sewers to Ohioans.

Mr. Johnson shared that in 2024, OEPA partnered with ODNR to develop the H2Ohio Rivers Program. This program focuses mostly on water quality work, such as dam removals, emergent contaminant sampling, and salt grants. He explained that salt used on roads has consequences by getting into lakes, rivers, and streams. Salt has impacted water and sewer infrastructure. Mr. Johnson said OEPA has been sampling for chloride in lakes, rivers, and streams since 1972, so they know where the hot spots are located. The agency has spent \$6.7 million of H2Ohio money upgrading salt application equipment and salt storage facilities.

Mr. Johnson reviewed the list of projects provided to the Board. He said the lists provide the total dollars needed to complete the projects and a separate column with the requested ask of OWDA. This was done in respect of their partners at ODNR and ODA as they also have requests for OWDA. The OEPA request of OWDA is \$10 million.

Mr. Reis asked what the OEPA yearly budget is. Mr. Johnson said he will find out and provide this information later. He said his division receives 32% of their budget from federal supplement money. The only general revenue they receive from the state of Ohio is for the E-Check Program. Mr. Johnson stated that much of the OEPA budget comes from tipping fees, which are state-imposed solid waste fees collected at the first transfer or landfill facilities.

Chairman Browning asked what OEPA's H2Ohio-related spending is per year. Mr. Johnson said the 2025 budget is \$7.5 million. He said their budget was cut during the last state budget process, and their H2Ohio budget is the lowest compared to their state agency partners. He added that the previous budget was \$25.5 million, and was spent on projects such as wastewater infrastructure, water infrastructure, drinking water distribution grants, lead service lines, H2Ohio Rivers chloride reduction, home sewage treatment systems, H2Ohio Rivers dam removals, and water quality projects.

Chairman Browning asked if there is an H2Ohio strategy. Mr. Johnson said yes, and the strategy is to

focus on water quality. He said the agency partners work together with their collective allocated funding to ensure people have clean water, clean sewer services, have quality recreation in streams and lakes, and help solve nutrient problems in Ohio water bodies with harmful algal blooms.

Ms. Holtshouse asked if any of their projects could be funded through the loan programs if there were additional resources.

Mr. Reis said he doesn't completely understand the scope of H2Ohio. He asked if OWDA could develop a consistent program if enough revenues can be raised. He said a surcharge could be added to all new, originating loans and designated for an H2Ohio program. Mr. Reis further stated the OWDA Board seems to be floundering in this area and only wanting to fund H2Ohio projects at a minimum.

Chairman Browning said, although he is confident the Board has previously received such information, he would like the most resourceful document that describes the H2Ohio program as it stands today. Mr. Johnson said H2Ohio publishes an annual report that is available on the website. It explains the core mission, the role of each contributing agency, and provides a list of completed projects. Mr. Fraizer added that he will compile this information and email it to the Board. Mr. Whistler noted that we could also recirculate the presentations from the three agencies' directors who spoke to the OWDA Board about the H2Ohio program and plan.

Presentation of Ohio Department of Agriculture H2Ohio Grant Request

Mr. Terry Mescher, P.E., H2Ohio Program Director, Ohio Department of Agriculture (ODA), was introduced by Mr. Fraizer to give a presentation on behalf of ODA.

Mr. Mescher shared that the primary focus for ODA's H2Ohio budget has been on the reduction of phosphorous, nitrogen, and sediment losses from the rural Ohio landscape. He said initially ODA focused heavily on the Western Lake Erie Basin working to reduce harmful algal blooms within the Lake Erie Basin.

The majority of ODA program efforts have been in making payments to farmers to install best management practices on their cropland. Mr. Mescher explained that these management practices are to reduce the application of fertilizers and reduce the opportunity for them to run off once they are applied or documented as needed.

The ODA currently has 2.2 million acres enrolled in a voluntary nutrient management plan. This 2-year plan evaluates each enrolled field with a soil test, anticipated crop rotation and yield, and prescribes the proper phosphorus, nitrogen, and potassium rates for the fields to produce the desired crops. He said over 43% of the cropland in the Western Lake Erie Basin is enrolled in the program, and enrollment is being finalized for 2026 and 2027. Mr. Mescher said they are confident that 50-51% of all croplands in the Western Lake Erie Basin will soon be enrolled in ODA's H2Ohio program.

In addition to the Western Lake Erie Basin, ODA has nearly 500,000 acres enrolled in the program state-wide. Mr. Mescher said approximately 75-80% of their H2Ohio funding has been used for cropland management efforts.

Mr. Reis asked for an example of how big two million acres is. Mr. Mescher responded that across the state, there are approximately 11 million acres of farmland. The size of Mercer County is roughly

250,000 acres total, so an example would be approximately eight plots the size of Mercer County is enrolled in the program.

Mr. Mescher added that nutrient management is the cornerstone of the ODA H2Ohio program, and reducing phosphorus losses is expensive. He said the cheapest way to do this is to eliminate phosphorus applications not needed, and this is the central goal of the nutrient management plan.

In the last three years, Mr. Mescher said ODA has adopted structural measures to process nutrients once they are lost from the field. To date, nearly \$12 million has been spent on conservation ditches. Although they are more expensive to maintain than traditional ditches, conservation ditches have larger capacity to drop out sediment and process phosphorous and nitrogen to reduce downstream impacts from these lost nutrients. He said ODA currently has more than \$22 million of projects approved, with \$5 million already constructed and \$17 million under construction. All will be complete within the next two years. Mr. Mescher explained that these types of projects normally take two and one-half years to complete.

Mr. Mescher said ODA also has money dedicated to a phosphorous removal pilot program. The program is dedicated to finding the fields with higher than needed phosphorous content in the soil. He said typically this is the result of past management practices connected with high applications of either biological solids and/or animal manure. These phosphorous filters look at sub-surface drainage from the site and remove the phosphorous from the drainage water. Mr. Mescher said this is early science, and there is much to be learned.

The majority of ODA's programs focus on management practices for private land, and Mr. Mescher said there is currently not a list of projects waiting to complete. He said ODA is proposing to initiate a new program with their OWDA funding request to look at water management, specifically drainage water recycling and water harvesting practices. He said since there will continue to be losses from the field in the conservation ditches, these efforts could capture and manage that water and recycle it back onto the agricultural land to eliminate those losses.

Mr. Mescher said they estimate 70% of the funding would be for installation of the drainage water structures at 15 sites, engineering these sites, and locating the sites. Since this is a new effort, he said they also want to monitor the sites to gauge the overall impact. ODA also intends to continue monitoring some stream stations that have lost funding either at the federal level, or most recently at the state level. He said this information provides efficacy data as well as useful information on where agency efforts should be focused.

According to Mr. Mescher, the Western Lake Erie Basin touches 24 different counties. With this large territory, he said the water quality monitoring will inform them which areas are losing more nitrogen, phosphorous or sediment than others.

Mr. Mescher explained that over the last 15-20 years, maximum yield potential of crops has grown consistently due to seed genetics and technology at the farm level. He said this year is the perfect example of how a dry summer caused the yield per acre to drop and added that irrigation isn't a normal topic discussed for commodity crops in Ohio. Advances have been made on the genetic and technology sides, and now farmers are considering that there could be economic potential by adopting irrigation practices.

The ODA proposal considers that during the spring months when Ohio is flush with water, there is considerable drainage water. Mr. Mescher suggested that this drainage water could be captured, stored in a reservoir, and held until the dry periods of late July, August, or September when it could be irrigated back onto cropland. This would provide the benefit of capturing the drainage water that would've gone downstream, the largest concern for Lake Erie water quality, and then reapply those lost nutrients onto a crop later in the year.

The completed drainage water recycling project at the OSU Lima Campus was provided as an example to the Board. Mr. Mescher explained that ODA needs to complete more sites to use as demonstrations to explore different design alternatives. He said research data is needed from the proposed monitoring sites for farmers to see the economic impact this system can have for maximizing crop yield.

Mr. Mescher said ODA will coordinate with soil and water conservation districts to locate the sites across the state, along with producers who would be interested in this technology. After evaluating the sites, ODA will then hire an engineering firm to design reservoir and storage irrigation components. He said their timeline is to complete all construction by 2029.

Mr. Reis asked if the farmers are paying for any portion of this project. Mr. Mescher responded that within the context of this example, approximately 10% of the land would be dedicated to storing the water. He said farmers will need assurances that the overall economics are favorable before they designate one-tenth of their production land for irrigation. The current part of the project making it uneconomical is the reservoir.

Mr. Reis asked how farmers will share in the cost since ODA is helping them increase yield. Mr. Mescher said that is yet to be determined. He said it's not clear yet what the economic evaluation will be within Ohio's landscape to predict yield increases because they don't have enough experience yet looking at irrigation in Northwest Ohio.

Mr. Mescher said ODA's long-term vision is to form a partnership with farmers where public funds would offset the construction costs of the reservoir, and the farmer pays for irrigation and infrastructure at the site. He said there needs to be a significant investment from the producer. ODA will be able to evaluate the overall effectiveness after they have some operating pilots.

Ms. Holtshouse asked how ODA's H2Ohio budget has changed. Mr. Mescher said there was \$60.6 million in the 2024/2025 budget cycle. The latest budget cycle was reduced by 12% to \$53.1 million. He said their expectations have been to grow this footprint. In 2020, enrollment in H2Ohio was approximately one million acres, and this has steadily increased. Mr. Mescher said ODA's goal is to have 2.6 million acres enrolled in the program across all 88 counties, with the majority being in Northwest Ohio and the Lake Erie Basin.

Ms. Holtshouse asked if ODA has looked at diverting any H2Ohio resources to fund this new project. Mr. Mescher responded that ODA now has enough time and information to document that, in general in the Western Lake Erie Basin, nutrient management at the farm level is higher than anticipated. From evaluating the trends within H2Ohio for nutrient management and cropland management, he said there is more work to do across the remainder of the state. Additionally, he said data on cropland for the remaining 64 counties shows they are behind 10 to 15 years in cropland management. He

concluded that some H2Ohio resources designated for Northwest Ohio could move to other areas in the state.

Ms. Holtshouse asked how difficult it would be to locate potential sites. Mr. Mescher said finding sites will require more than just looking at the gravity flow of water. He said some places will require a pumping station to lift water into the reservoir. He said construction of the reservoir itself is less of a problem for the areas with a pumping station because they won't be locked in by elevation.

Ms. Holtshouse said much of the farmland in the areas of concern have field tiles, so getting water to drain from tile to a basin would require the need to dig very deep or build a pump station. Mr. Mescher agreed and said this scenario would call for significant management changes for the producer with increased costs.

Southwest Regional Water Study: Presentation of Request for Proposals

Mr. Fraizer introduced Ms. Jessica Langdon, Assistant Policy Director, OEPA, to present an update on the Southwest Regional Water Study, which the Board previously voted to support with up to \$2.25 million for this project. Mr. Fraizer said that he and Mr. Dan Gill, OWDA Deputy Executive Director, Program Operations, participated in scoring the four proposals received.

Ms. Langdon shared that the Southwest Regional Water Study will include 20 counties. She said the identified objectives for the study are: 1) to improve, maintain and optimize resources while planning for growth; 2) collaboration and regionalization; and 3) to identify future needs. The project partners are ODNR, Miami Valley Regional Planning Commission, and OKI Regional Council of Governments. Mr. Joe Miller, Manager, Division of Surface Water, OEPA SW Office, will serve as project manager.

Ms. Langdon reviewed the Request for Proposals (RFP) timeline and assured the Board that each step was completed. The scoring team was recognized, and their criteria used for scoring were reviewed. Proposals were received from Battelle, Stantec, Jacobs, and CDM Smith. Ms. Langdon reported that CDM Smith scored the highest; and they will be managed from their Cincinnati office. She said their experience in the region will be valuable. The company's proposal was unique because it divided the project into sub-regions, and the scoring committee thought this approach could add value to the project. Ms. Langdon said the completion date is scheduled for November 2026.

Ms. Langdon also provided an update on the upcoming Southeast Regional Water Study. The proposed timeline will be to release the RFP on December 1, 2025, conduct one-on-one meetings through mid-December, a proposal due date of December 19, 2025, and providing a notice to proceed by the end of January 2026. She said they will provide more information to the Board in January or February 2026. The expected completion date will be December 31, 2026.

Mr. Fraizer requested a pre-release of findings announcement in November 2026. Ms. Langdon said they will be pleased to share progress with the Board as the projects unfold.

Mr. Reis asked if CDM Smith was the lowest bidder. Ms. Langdon responded that three of the applicants were close in bids for approximately \$2.9 million each. The lowest bid was around \$2.6 million. She said the quality of the CDM Smith application was the determining factor. She added that OEPA will pay the remainder of the invoice above the OWDA allocation.

Chairman Browning asked if the timelines presented today follow their original plan. Ms. Langdon said the release of the RFP for the Southeast study was delayed slightly because Ohio University was added as a regional partner. She said the end date remains the same.

Chairman Browning called for a brief recess.

IX. FINANCIAL

Approval of Resolution 68-25 Authorizing Water Pollution Control Loan Fund Series 2025A Bonds

Mr. Skruck said last month the Board approved the underwriting syndicate for the next WPCLF issuance of \$500 million par, and Jefferies was appointed as senior manager. He said the upcoming transaction will have a bullet structure, which is slightly different from other transactions. Mr. Skruck explained the rationale for a bullet transaction is because the yield curve is sloped more from year 10 to year 25. He said bonds are sold so that the last maturity is at year 10, which means OWDA would not pay higher interest rates from year 11 to year 25. The benefit to OWDA on a \$500 million par bullet transaction is that it will yield an approximate \$74 million of premium if market rates remain similar to what they are today. In comparison, 25 years of equal amortized structure would yield approximately \$49 million of premiums. Mr. Skruck said OWDA would benefit by around \$25 million in additional premiums if rates hold steady under the bullet structure scenario.

Mr. Skruck acknowledged there are risks associated with bullet transactions. He said in 10 years when the bullet transactions are restructured, OWDA will basically need to do an issuance to raise funds for the maturity and will then amortize the bullet from year 10 to 2045. The greatest risk will be if true interest rates are 6.1% at the time of the issuance, then OWDA will have a negative benefit from the bullet transaction. He said there are ways to mitigate this risk. If rates are high in December 2035 when it's time to take out the bullet issuance, OWDA could use notes or another short-term instrument to wait for rates to decline before performing the issuance.

OWDA conducted its first bullet transaction in 2018, so the Board can evaluate this transaction when it matures. If rates remain steady like they are now, it will have been a winning proposition for OWDA. By watching the market closely, the team can pivot from this bullet transaction if necessary. Mr. Skruck shared that with the federal government shutdown, less economic data is released, making it more difficult for projections. Mr. Skruck said that currently the difference in the slope of the yield curve is around 125 basis points. When the slope of the yield curve is 80-100 basis points from years 10 to 25, the bullet amortization makes financial sense. Mr. Skruck said the results of the November pricing will be presented by Jefferies at the December meeting.

Mr. Reis asked for the aggregate amount of bullets OWDA has in par value. Mr. Skruck said he would get this information for Mr. Reis. He said typically the bullet portion of the issuance is roughly two-thirds of the total par. Mr. Skruck stated that OWDA does not do bullets on every transaction to keep a balance with investors.

Mr. Reis asked what type of call is on the bullet transactions. Mr. Skruck responded that all have a hard maturity at 10 years. He said staying consistent with calls at 10 years as you go forward provides for a call every 12-18 months. He said there are a few holes, yet next year when OWDA starts calling bonds, there will be calls coming every year.

Mr. Callender presented Resolution 68-25 to the Board. He said all will be reimbursed upon the actual closing of the transaction. The resolution is extending the security of the WPCLF program to the new bonds. Mr. Callender said OWDA is entering into its 33rd supplemental agreement, proving how much the WPCLF program has been utilized over the past 11 years.

Mr. Callender explained there is interest in combining the WPCLF and DWAF into one bond program. They technically and legally cannot be combined into one bond program, but they could be put into a similar program to gain efficiency. He said the team is taking notes on items OWDA might want to change in the future, so it seemed noteworthy that this is something different outside of normal transactions. The authorization of this resolution is valid through March 31, 2026. The intention is to price in mid-November with Jefferies as the lead.

****MOTION****

Chairman Browning called for a motion to approve Resolution 68-25 providing for the authorization, issuance and sale of not to exceed \$500,000,000 State of Ohio Water Pollution Control Loan Fund revenue bonds, series 2025, for the purpose of raising moneys for the sole benefit of the Water Pollution Control Loan Fund created in section 6111.036 of the Ohio Revised Code; authorizing a thirty-third supplemental trust agreement pledging certain revenues and funds to secure said bonds, providing covenants appropriate to the protection and disposition of such revenues and funds, and securing the payments of the principal of and interest on such bonds at their respective maturities; and authorizing additional documents in connection with said bonds.

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

Motion passed unanimously.

Approval of Resolution 69-25 Amending and Extending PNC's Note Purchase Agreement for Fresh Water from 2025 to 2026

Mr. Skruck informed the Board that agenda items B-D are for the approval of extending note purchase agreements with PNC, one each for the Fresh Water (FW), Water Pollution Control Loan Fund (WPCLF) and Drinking Water Assistance Fund (DWAF). The FW is \$150 million and will extend to October 30, 2026. The other two agreements can be used for either program. The total is \$300 million, and they will also extend to October 30, 2026.

Mr. Callender stated there are three separate resolutions as Mr. Skruck described. Because they are separate programs, there must be separate authorizations and separate agreements to extend the security of each of these programs to these notes. Mr. Callender said OWDA's existing note program with PNC began in 2017 with the WPCLF program. It has slowly expanded to cover all three programs to offer more efficiency. Each resolution authorizes amendments to the original agreements to extend the coverage. He said there is one notable change, and that is termination ability. The ability to terminate with 120 days' notice extends to both parties, and it provides OWDA with flexibility if the note is no longer needed.

****MOTION****

Chairman Browning called for a motion to approve Resolution 69-25 Amending and Extending PNC's note purchase agreement for Fresh Water from 2025 to 2026.

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

Motion passed unanimously.

Approval of Resolution 70-25 Amending and Extending PNC's Note Purchase Agreement for WPCLF from 2025 to 2026

****MOTION****

Chairman Browning called for a motion to approve Resolution 70-25 Amending and Extending PNC's note purchase agreement for WPCLF from 2025 to 2026.

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

Motion passed unanimously.

Approval of Resolution 71-25 Amending and Extending PNC's Note Purchase Agreement for DWAF from 2025 to 2026

****MOTION****

Chairman Browning called for a motion to approve Resolution 71-25 Amending and Extending PNC's note purchase agreement for DWAF from 2025 to 2026.

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

Motion passed unanimously.

Presentation of Fresh Water Capacity Model & Recommended Allocation of Surplus Funds

Mr. Skruck said the annual Fresh Water (FW) model is presented to the Board every October. After the model is presented and questions are fielded, the process has been for staff to request the excess loan repayments from the July 1st repayment cycle to be allocated with a recommendation on the allocation.

Mr. Skruck reviewed the model assumptions. The source of funds includes 85% of excess FW that is redeposited, 100% of excess community assistance funds are redeposited, and no assumptions were made for investment earnings. The bond assumptions included 25-year amortization, current market rates as of October 14, 2025, no Debt Service Reserve Fund (DSRF) for future bond issuances, and to maintain coverage of 1.2x. The loan assumptions utilized rates as of October 14, 2025.

Ms. Cameron Mitchell said the capacity results are basically the same as last year, maintaining the program at the same level with annual loan volume at \$225 million annually. The model excludes the City of Columbus, which will continue to be monitored annually, as well as any other high-volume Local Government Agency (LGA), to ensure they don't exceed the 30% concentration threshold previously implemented.

Chairman Browning said if numbers are the same, it makes sense for assumptions to be the same. Mr. Skruck said the loan volume for the next 20 years is like the prior year's model, so the program is not deteriorating. The reason for using a 20-year model and not 5-year or 10-year models is so that a true measurement is reflected, not a large impact from one-time events sometimes reflected in a shorter model.

Mr. Skruck explained the philosophy is to maintain strong ratings and give strong interest rates to borrowers, so OWDA needs to have recycled surpluses go back into the program. The capacity model demonstrates that OWDA can manage a \$225 million annual loan volume and increase lending volume to Columbus through 2030. The model also shows a healthy portion of the loans can include refinance loans. The advantage of refinance loans is, since the money recycles quickly, the funds can move into circulation for new projects.

Based on capacity models prepared by PFM, the recommendation is to recycle 100% of the Community Assistance releases, 85% of Fresh Water releases, and the remaining 15% of Fresh Water to be used for the Strategic Initiatives Fund. In addition, recycling all of planning loan payoffs would recycle back into Fresh Water.

Mr. Skruck provided a high-level review of the surplus releases with \$27,111,269 for Fresh Water and \$3,148,761 for Community Assistance to allow \$26,193,340 to recycle back into Fresh Water and \$4,066,690 to deposit into the SIF. Estimates of future surplus amounts available to the Board over the next 18 months were also reviewed.

Planning loan payoffs received since the Board last made a surplus allocation were also presented by Mr. Skruck. He said the total is approximately \$20.5 million. He said the amount is significant and worth evaluating the approach for future planning loan payoffs. Since they are short-term loans, he said it would help the program if 100% of these loans go back into FW equity.

Mr. Reis asked if the Board could put 40% of the surplus into the SIF rather than the designated 15%. Mr. Skruck said yes, the Board has this authority. He said 40% of this round of surplus would yield approximately \$11 million.

****MOTION****

Chairman Browning called for a motion to approve excess loan repayments from the July 1st repayment cycle to be allocated as follows:

Of the \$3,148,761 in Community Assistance and \$27,111,269 in Fresh Water 12/1/2025 Surpluses eligible for release:

- Recycle \$3,148,761 of Community Assistance Surplus into Fresh Water.
- Recycle \$23,044,579 of Fresh Water Surplus into Fresh Water.

- Recycle \$4,066,690 of Fresh Water Surplus into The Strategic Initiatives Fund. Also, recycle \$20,508,762 of Fresh Water Planning Loan Payoffs into Fresh Water.

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

Motion passed unanimously.

Monthly Financial Report

Mr. Skruck reviewed the graph outlining lending capacity of the three major funds which he said reflects the excellent health of OWDA's lending capacity. There is one year of lending capacity available in DWAF, four months available in WPCLF, and FW has capacity through 2026. He reminded the Board that approximately \$550 million of capacity will be added to WPCLF prior to the next meeting.

Mr. Skruck said project cash is another important area to monitor. Fresh Water has approximately 36 weeks of cash available, and approximately \$3.5 million is drawn per week. There are 36 weeks of cash available in WPCLF, and approximately \$16 million is drawn per week. The DWAF was replenished over the summer and has 53 weeks of cash available. This program has \$7.5 million in draws per week.

The encumbered balance is now \$4 billion across the three programs. Mr. Skruck said this reflects \$4 billion in awards that haven't been disbursed. He said OWDA staff are working on many loans that will be disbursed soon.

X. OTHER

Presentation of Draft 2026 Operating Budget

Mr. Fraizer presented a draft of next year's budget for Board review and discussion. He explained that loan origination fee receipts reflect the income from each loan transaction. The \$5,250,000 is based on \$1.5 billion loan origination for the next calendar year. In comparison, he said there was \$1.73 billion in 2024 loans. Investment revenues are expected to be \$536,847.

Mr. Fraizer said there was a robust discussion at last month's meeting concerning salaries, and this increase is exhibited in the budget. He said OWDA will not conduct another compensation analysis for approximately five years, and small cost of living increases will be the only salary increases for the next several years.

Mr. Fraizer explained the increase in legal services includes a few significant items. He said \$100,000 is allocated for potential litigation on an outstanding Brownfield loan. OWDA will be filing a foreclosure against this property in Cleveland, OH. A financial software program estimated at \$40,000 will be added to assist with debt analysis.

Mr. Fraizer highlighted a few additional expense items with explanations. The insurance line item includes a building umbrella policy that is paid yearly. Health insurance is incorporated into the

fringes line item. The publications and memberships line includes Ohio Chapter of Government Financing Officers Association and Ohio Economic Development Association memberships.

Building improvements were added for budget consideration. The office has three furnaces that are aged and need replaced, and Mr. Fraizer estimates \$100,000 for this expense. Sidewalk repairs are also needed, and this estimate is \$25,000. Mr. Fraizer said three bids will be sought for each project. In addition, OWDA operates on a 5-year cycle for computer servers, and that replacement is estimated to be \$111,000. Mr. Fraizer said these items are flagged because they are one-off costs and not typical budget items. He said the Board can either budget for them in December or approve individually as budget adjustments when they occur. Chairman Browning asked if more information on these items will be available by the December meeting. Mr. Fraizer said the bid process has started, and more information will likely be available.

Mr. Fraizer concluded by saying the 2026 budget reflects a surplus of approximately \$200,000. He said the Board will act on the budget at the December meeting.

Chairman Browning asked if the break-even on the loan amount relative to fees is \$1.35 billion. Mr. Skruck said this is correct. He said when the added one-time costs are included, the break-even is slightly higher.

Mr. Stewart asked what net revenues are projected for 2025 as compared to approximately \$2.7 million received in 2024. Mr. Fraizer responded that staff estimates nearly \$4 million for 2025. He said \$600,000 is currently expected for the 2025 surplus, plus there will be additional loan origination fees received before year-end.

Chairman Browning said there will be more clarity on these details at the December meeting. He said the budget reflects a minor reset resulting from the salary study, changes in legal services, bringing an attorney in house, and other work from the Board and staff to enhance OWDA's resiliency.

Mr. Skruck added that internally, staff is planning for a software conversion to move the loan system from a server-based to web-based system. Mr. Fraizer said staff will have an in-depth discussion on software with the Board later.

Mr. Stewart said he's very comfortable with the proposed budget and the direction OWDA is going.

Mr. Whistler said the budget is commensurate with the direction the organization is going, the work being accomplished, and the depth of the work being done.

Chairman Browning said the loan volume has approximately doubled in five years. This has resulted in more work with great detail and complexity. He said OWDA has good people who ensure every detail.

Mr. Fraizer shared that he and Ms. Robyn McComb, OWDA Assistant Chief Financial Officer, have every detail for each budget item if any Board member has additional questions. He said the Board will be asked to formally approve the budget in December.

Presentation of Draft 2026 Board Meeting Calendar

Mr. Fraizer said the draft 2026 Board meeting calendar is based on the typical last Thursday of the month meeting from January through October, no meeting in November, and ending the year with the second week of December meeting. He said the Board will be asked to approve the meeting calendar in December.

XI. EXECUTIVE DIRECTOR'S REMARKS

Mr. Fraizer said this was a robust meeting, and he appreciated all the participation. Since he already highlighted the foreclosure action, he said he will be available to answer questions anytime. He invited everyone to celebrate the new loan milestone with cupcakes after the meeting.

XII. CHAIRMAN'S REMARKS

Chairman Browning thanked everyone for a productive meeting.

****MOTION****

Chairman Browning called for a motion to adjourn the meeting.

Moved by Mr. Reis.


Seconded by Mr. Whistler.

Motion passed unanimously.

The meeting adjourned at 1:12 p.m.



CHAIRMAN



SECRETARY-TREASURER

Exhibit A
Fresh Water Loan Fund Program
10/30/2025 Board Meeting

Account	Local Government Agency	Project Name	Project Description	Loan Amount	Interest Rate	Term (years)
11615	Byesville, Village (Guernsey)	Rolling Hill WWTP Conversion & Abandonment	Construction of 1,200 feet of sanitary sewer, 2,000 feet of force main, and one lift station to allow for decommissioning of the Rolling Hills package treatment plant. Treatment will be provided at the Byesville WWTP.	\$501,750.00	4.20%	5
11606	Columbus, City (Franklin)	Argus Road Area Water Line Improvements	Design of 12,800 feet of waterline in the Argus Road service area to replace aging waterlines.	\$475,909.56	4.80%	5
11607	Columbus, City (Franklin)	E. Broad Street Area Water Line Improvements	Design of 7,000 feet of waterline in the East Broad Street service area to replace aging waterlines.	\$362,751.46	4.80%	5
11608	Columbus, City (Franklin)	Barnett Road Water Line Improvements	Construction of 1,200 feet of waterline along Barnett, Main, Astor, Bolton, E. Mount, Towers, and E. Fulton Streets to replace aging waterlines.	\$789,590.14	4.20%	20
11609	Columbus, City (Franklin)	Madison Avenue Water Main Improvements	Design of 11,200 feet of waterline in the Madison Avenue service area to replace aging waterlines.	\$406,260.73	4.80%	5
11617	Girard, City (Trumbull)	Upper Girard Lake Dam Safety Improvements	Design of safety improvements to the Upper Girard Lake Dam, including an emergency spillway and toe drain, to comply with Ohio Department of Natural Resources requirements.	\$547,231.00	4.80%	5
11610	Marengo, Village (Morrow)	Sewer Infrastructure Phase 1	Construction of 3,500 feet of sanitary sewer, 1,200 feet of force main, and improvements to two pump stations to increase conveyance capacity for future development.	\$528,671.30	4.20%	20
11599	Strasburg, Village (Tuscarawas)	WWTP Expansion	Design of WWTP improvements, including new headworks facilities, a fourth oxidation ditch, 2 new clarifiers, biosolids handling improvements, and SCADA installation, to expand treatment capacity to 675,000 gpd for handling wet weather flows and future development.	\$725,029.00	4.80%	5
11603	Toledo, City (Lucas)	Arlington Avenue Sewer Repair	Construction of 1,200 feet of sanitary sewer along Arlington Avenue to replace a collapsed sanitary sewer.	\$7,024,500.00	3.80%	20
11604	Waverly, Village (Pike)	South Lock Street Waterline Improvements	Design of 1,100 feet of waterline along South Lock Street to replace aging waterlines.	\$245,205.00	4.80%	5
11605	West Farmington, Village (Trumbull)	Septage Receiving Station	Construction of a septage receiving station at the West Farmington WWTP to provide service to users with onsite treatment systems in the surrounding area.	\$170,083.70	1.75%	20

Exhibit B
Fresh Water Refinancing Loan Fund Program
10/30/2025 Board Meeting

Account	Local Government Agency	Project Name	Project Description	Max Loan Amount	Min Interest Rate	Est Term (years)
11591	Cleveland, City (Cuyahoga)	Refinance of 2016 Sewer Revenue Bonds	Refinance of Series 2016 Water Pollution Control Revenue Bonds with a principal balance of \$26,585,000 and an existing interest rate of 5% for the construction of sanitary and storm sewer rehabilitation projects. Loan qualifies for the tax-exempt interest rate.	\$27,475,000.00	2.710	19.5
11592	Dunkirk, Village (Hardin)	Refinance of USDA-RD Loan	Refinance of USDA-RD loan for Sanitary Sewer System Mortgage Revenue Bonds, Series 2011, with a principal balance of \$1,778,400 and an existing interest rate of 3.75% for the construction of sanitary sewers to address aging onsite treatment systems. Loan qualifies for the tax-exempt community assistance interest rate.	\$2,125,000.00	2.000	25

Exhibit C
Drinking Water Assistance Loan Fund Program
10/30/2025 Board Meeting

Account	Local Government Agency	Project Name	Project Description	Loan Amount	Interest Rate	Term (years)
11611	Akron, City (Summit)	Brittain Road Reservoir Replacement	Construction of a 12.4 MG drinking water reservoir to replace the existing Brittain Road reservoir, which has exceeded its useful life.	\$48,706,233.00	3.73%	30
11612	Akron, City (Summit)	Water Main Replacement Program 2025	Construction of 12,000 feet of waterline to replace aging waterlines throughout the distribution system.	\$4,254,034.33	3.73%	30
11647	Bowerston, Village (Harrison)	Distribution System and Meter Replacement	Construction of 17,400 feet of waterline, a 105,000 gallon water storage tank, and installation of 298 water meters to replace aging infrastructure.	\$901,941.96	3.23%	30
11629	Catawba, Village (Clark)	Standpipe Storage Tank Repair	Construction of improvements to a water storage tank located on South Champaign Street, including cleaning, exterior painting, and roof seal repairs to extend its useful life.	\$14,948.00	0.00%	20
11629	Catawba, Village (Clark)	Standpipe Storage Tank Repair	Construction of improvements to a water storage tank located on South Champaign Street, including cleaning, exterior painting, and roof seal repairs to extend its useful life.	\$23,300.00	P/F	20
11619	Cincinnati, City (Hamilton)	Lyon - Wheeler Area Water Main & LSL Replacement	Construction of 6,100 feet of waterline along Moerlein, Lyon, Detzel, Atkinson, Bosley, Wheeler, and Calhoun Streets to replace lead service and aging waterlines.	\$3,125,856.38	3.55%	20
11619	Cincinnati, City (Hamilton)	Lyon - Wheeler Area Water Main & LSL Replacement	Construction of 6,100 feet of waterline along Moerlein, Lyon, Detzel, Atkinson, Bosley, Wheeler, and Calhoun Streets to replace lead service and aging waterlines.	\$200,455.01	0.00%	20
11619	Cincinnati, City (Hamilton)	Lyon - Wheeler Area Water Main & LSL Replacement	Construction of 6,100 feet of waterline along Moerlein, Lyon, Detzel, Atkinson, Bosley, Wheeler, and Calhoun Streets to replace lead service and aging waterlines.	\$226,045.01	P/F	20
11632	Cleveland, City (Cuyahoga)	CWD LSLR Year 4-1	Construction of water service lines to replace 1,500 lead service lines throughout the distribution system.	\$2,601,772.84	0.00%	20
11632	Cleveland, City (Cuyahoga)	CWD LSLR Year 4-1	Construction of water service lines to replace 1,500 lead service lines throughout the distribution system.	\$2,883,604.66	P/F	20
11633	Cleveland, City (Cuyahoga)	CWD LSLR Year 4-2	Construction of water service lines to replace 750 lead service lines throughout the distribution system.	\$1,354,684.42	0.00%	20
11633	Cleveland, City (Cuyahoga)	CWD LSLR Year 4-2	Construction of water service lines to replace 750 lead service lines throughout the distribution system.	\$1,501,427.33	P/F	20

Exhibit C
Drinking Water Assistance Loan Fund Program
10/30/2025 Board Meeting

Account	Local Government Agency	Project Name	Project Description	Loan Amount	Interest Rate	Term (years)
11614	Dayton, City (Montgomery)	Ottawa WTP Advanced PFAS Treatment	Design of a PFAS treatment system at the Ottawa Water Treatment Plant.	\$10,791,748.00	0.00%	5
11636	Franklin, City (Warren)	Water Meter Replacement Project	Installation of 5,300 water meters throughout the City to replace meters that have exceeded their useful life.	\$4,798,828.88	3.55%	20
11627	Johnstown, Village (Licking)	Water Treatment Plant Expansion	Construction of WTP improvements to increase the capacity from 1.0 MGD to 3.0 MGD to meet increasing demands from residential and commercial users.	\$43,260,880.40	3.23%	30
11639	Kenton, City (Hardin)	Water Treatment Plant General Plan	Development of a preliminary engineering report to evaluate the City's water treatment plant, wells and residual disposal to identify system improvement options.	\$77,153.00	0.00%	5
11622	Licking County	Hanover Marne Phase 2 Water Line Extension	Design of 73,000 feet of waterline to extend service to 700 users in the Marne and Hanover service areas allowing for the elimination of six Public Water Supply systems.	\$1,194,175.00	0.00%	5
11631	Matamoras, Village (Washington)	Water Distribution System Improvements	Construction of 8,800 ft of waterline along SR 7, Front Street, and Grandview Avenue to replace aging waterlines.	\$224,847.47	3.23%	30
11616	Silver Lake, Village (Summit)	Silver Lake Blvd Water Main	Design of 2,600 feet of waterline along Silver Lake Boulevard to replace aging waterlines.	\$403,778.00	0.00%	5
11635	Wadsworth, City (Medina)	Water System Looping Improvements	Design of water lines in the southwest section of the City near Wadsworth Airport area to eliminate system dead-ends.	\$194,132.55	0.00%	5
11637	Wadsworth, City (Medina)	Good Avenue & High Street Waterline Replacement	Design of 7,600 ft of waterline along Good Avenue and High Street to replace aging waterlines.	\$373,844.00	0.00%	5
11623	Woodville, Village (Sandusky)	Elevated Water Storage Tank	Construction of a 150,000 gallon water storage tank to replace an existing storage tank that has exceeded its useful life.	\$1,738,206.00	3.05%	20

Exhibit D

**Water Pollution Control Loan Fund Program
10/30/2025 Board Meeting**

Account	Local Government Agency	Project Name	Project Description	Loan Amount	Interest Rate	Term (years)
11597	Baltimore, Village (Fairfield)	East Sewer and Lift Station	Design of a new lift station, 2,800 feet of force main, and 5,800 feet of sanitary sewer along Holder Road to allow for future development on the east side of the Village and into Walnut Township.	\$389,950.00	0.00%	5
11640	Bowerston, Village (Harrison)	Wastewater System Improvements	Construction of WWTP improvements, including upgrades to the headworks, treatment lagoons, and disinfection system, rehabilitation of three pump stations, and construction of 11,700 feet of sanitary sewer to replace equipment that has exceeded its useful life and reduce inflow and infiltration.	\$999,775.00	0.00%	28
11630	Columbus, City (Franklin)	Barnett Rd Storm Sewer Improvements	Construction of 6,000 feet of storm sewer along Barnett, Main, Astor, Bolton, E. Mount, Towers, and E. Fulton Streets to mitigate flooding issues.	\$4,777,671.68	3.47%	20
11621	Darke County	Fort Jefferson New Collection System	Design of a sanitary sewer collection system to provide service to 60 users in the unincorporated area of Fort Jefferson who are currently served by onsite treatment systems.	\$250,000.00	0.00%	5
11613	Defiance, City (Defiance)	WWTP Improvements	Construction of WWTP improvements, including screening upgrades and a septage receiving station, to improve operations.	\$7,174,300.00	3.55%	20
11620	Hamilton County	Kenwood Hills Local Sewer	Construction of 16,400 feet of sanitary sewer in the Carriage Hill and Kenwood Hills subdivisions in the City of Madeira to provide service to 160 users currently served by onsite treatment systems.	\$8,459,393.45	0.00%	20
11620	Hamilton County	Kenwood Hills Local Sewer	Construction of 16,400 feet of sanitary sewer in the Carriage Hill and Kenwood Hills subdivisions in the City of Madeira to provide service to 160 users currently served by onsite treatment systems.	\$4,000,000.00	P/F	20
11626	Hamilton County	Mill Creek WWTP High Rate Treatment Pump Station	Construction of a 700 MGD influent pump station at the Mill Creek WWTP to replace the existing pump station which has exceeded its useful life and expand capacity to serve a future wet weather high rate treatment system.	\$354,951,841.70	3.73%	30
11634	Lakewood, City (Cuyahoga)	CSO-052 Storage Facility	Construction of a 6.1 MG equalization storage tank at the WWTP to reduce combined sewer overflows.	\$31,447,568.00	3.63%	30
11634	Lakewood, City (Cuyahoga)	CSO-052 Storage Facility	Construction of a 6.1 MG equalization storage tank at the WWTP to reduce combined sewer overflows.	\$50,000.00	P/F	30

Exhibit D
Water Pollution Control Loan Fund Program
10/30/2025 Board Meeting

Account	Local Government Agency	Project Name	Project Description	Loan Amount	Interest Rate	Term (years)
11642	Lorain, City (Lorain)	Pearl and Tacoma Pump Station Improvements	Construction of upgrades to the Pearl and Tacoma pump stations to increase efficiency and eliminate two sanitary sewer overflows.	\$26,336,817.11	3.71%	30
11641	Preble County	U.S. 35 East Glenwood Area WWTP	Construction of a package WWTP along State Route 35 in Sewer District #6 to provide service to 240 users currently served by onsite treatment systems.	\$5,669,950.00	0.00%	30
11641	Preble County	U.S. 35 East Glenwood Area WWTP	Construction of a package WWTP along State Route 35 in Sewer District #6 to provide service to 240 users currently served by onsite treatment systems.	\$50,000.00	P/F	30
11624	Thornville, Village (Perry)	Inflow/Infiltration - Manholes and Pipelining	Rehabilitation of 24,000 feet of sanitary sewers and 171 manholes using cured-in-place lining to reduce inflow and infiltration.	\$472,284.00	3.05%	20
11638	Wadsworth, City (Medina)	2025 SSO Reduction - Areas 2, 3, 5, 7 & 10	Design of sanitary sewer improvements to eliminate infiltration & inflow and reduce sanitary sewer overflows.	\$485,694.00	0.00%	5

Exhibit E
Water Pollution Control Loan Fund Program
10/30/2025 Board Meeting

Account	Local Government Agency	Project Name	Project Description	Loan Amount	Interest Rate	Term (years)
11343	North Lewisburg, Village (Champaign)	WWTP Improvements - Membrane Rehabilitation	Construction of WWTP improvements to repair the membrane bioreactor treatment system. Supplement No. 1 is for change order work.	\$82,329.00	0.00%	30
11343	North Lewisburg, Village (Champaign)	WWTP Improvements - Membrane Rehabilitation	Construction of WWTP improvements to repair the membrane bioreactor treatment system. Supplement No. 1 is for change order work.	\$120,000.00	P/F	30

ODNR-H2OHIO PRIORITY PROJECTS: FY26

Exhibit F

H2Ohio Priority Projects	Cost	#P	\$/#P
Winous Point Marsh, South Marsh Enhancement	\$ 250,000	1806	\$ 138
Restoring Sandusky Bay Coastal Wetlands at Pickerel Creek Wildlife Area	\$ 300,000	624	\$ 481
Avian Acres Floodplain Wetlands	\$ 260,000	271	\$ 959
Miami & Erie Canal, Reconnection and Restoration	\$ 3,000,000	1966	\$ 1,526
Troy Side Channel Oxbow Creation	\$ 482,000	128	\$ 3,766
Houk Wetland Restoration	\$ 221,340	35	\$ 6,324
Greentop Acres, Restoration Phase	\$ 2,500,000	316	\$ 7,911
Hershberger Wetland Restoration	\$ 289,980	35	\$ 8,285
Maumee State Forest, Thomas Parcel Restoration	\$ 450,000	54	\$ 8,333
Mullins Off-Channel Wetland	\$ 1,318,000	122	\$ 10,803
Corogin Wetland Restoration	\$ 439,163	30	\$ 14,639
Buttonwood Park Floodplain Restoration	\$ 440,000	28.2	\$ 15,603
Subtotal	\$ 9,950,483	5415	\$ 1,838

