



OHIO PUBLIC WORKS COMMISSION
SMALL GOVERNMENT PROGRAM
Revised September 16, 2009

The Small Government Program provides grants and loans to villages and townships with populations in the unincorporated areas of less than 5,000 in population. **Only infrastructure that is village- or township-owned is eligible for assistance.** The following policies have been adopted by the Small Government Commission:

- District Integrating Committees may submit up to seven (7) applications for consideration by the Commission. All 7 must be ranked, however, only the top five (5) will be scored. The remaining two (2) will be held as contingency projects should an application be withdrawn.
- Grants are limited to \$500,000. Any assistance above that amount must be in the form of a loan.
- Grants for new or expanded infrastructure can not exceed 50% of the project estimate.
- The Commission may deny funding for water and sewer systems that are deemed to be more cost-effective if regionalized.
- If a water or sewer project is determined to be affordable, the project will be offered a loan rather than a grant.
- Should there be more projects that meet the 'annual score' than there is funding, the tie breaker is those projects which scored highest under Health & Safety, with the second tie breaker being Condition. If multiple projects have equivalent Health & Safety and Condition scores they are arranged according to the amount of assistance from low to high. Once the funded projects are announced, 'contingency projects' may be funded from project under-runs by continuing down the approved project list.
- Supplemental assistance is not provided to projects previously funded by the Commission.
- Applicants have 30 days from receipt of application by OPWC without exception to provide additional documentation to make the application more competitive under the Small Government criteria. Applications will be scored after the 30-day period has expired. The applicants for each District's two (2) contingency projects will have the same 30-day period to submit supplemental information but these applications will not be scored unless necessary to do so. **It is each applicant's responsibility for determining the need for supplemental material.**

EVALUATION CRITERIA

COMPLETE & APPROPRIATE SUPPORT DOCUMENTATION MUST BE PROVIDED FOR A CRITERION IN ORDER TO BE AWARDED POINTS.

1. Ability and Effort of the Applicant to Finance the Project (Maximum 10 points)

- A. Roads, Bridges/Culverts, Storm Water, Solid Waste Projects – Include copy of most recent “Auditor’s Certificate of Estimated Revenues” or documentation from the Auditor of State that the subdivision is in a state of fiscal emergency. Funds considered for this criterion are shown in the table below.

Infrastructure Type	Village	Township
Roads	Street, MVL, General	MVL, Gas Tax, Road & Bridge, Permissive MVL, General
Bridges	Street, MVL, General	MVL, Gas Tax, Road & Bridge, Permissive MVL, General
Culverts	Street, MVL, General	MVL, Gas Tax, Road & Bridge if roadway culvert, Permissive MVL, General
Solid Waste	General or special fund for that purpose	General or special fund for that purpose
Storm Water	General or special fund for that purpose	General or special fund for that purpose

- 0 Total project cost represents less than 50% of subdivision's funds legally eligible for infrastructure type
- 5 Total project cost is between 50 - 100% of subdivision's total annual revenues funds legally eligible for infrastructure type
- 10 Subdivision is in fiscal emergency or total project cost exceeds 100% of subdivision's funds legally eligible for infrastructure type

- B. Water and Wastewater Projects – Affordability calculated by OPWC according to the water & sewer affordability standards provided at the end of this document. See these standards for documentation requirements.

- 0 Project is affordable without SCIP funds
- 5 Project is affordable, but within \$50 of affordability threshold
- 10 Project exceeds affordability thresholds

2. Significance of Project to the Overall Economic Welfare of the Applicant – For the unemployment rate component OPWC will use the July rates of the current application year published by the Ohio Department of Jobs & Family Services available at <http://lmi.state.oh.us/laus/Ranking.pdf>. Temporary jobs created to construct the project are ineligible. (Maximum 5 points)

- 0 Project will have no impact
- 3 County unemployment rate is less than the state comparable rate AND the project will retain existing jobs or create jobs (provide explanation of impact and letters from employers)
- 5 County unemployment rate is equal to or greater than the state comparable rate AND the project will retain existing jobs or create jobs (provide explanation of impact and letters from employers)

3. Importance of Project to Health and Safety of Citizens (Maximum 10 points)

Road, Bridge, Culvert – Provide appropriate documentation according to project type. Roads: accident data, description of safety issue; Bridges: General Appraisal or Sufficiency Rating; Culverts: clear description and photos

- 0 New infrastructure to meet future or projected needs
- 2 New infrastructure to meet current needs; Bridges with General Appraisal of 6 or above or with a Sufficiency Rating of 81-100
- 4 Roadway resurfacing and berming with/without minor repairs; Replace or install signal where warranted; Bridges with a General Appraisal of 5 or Sufficiency Rating of 66-80; Culvert replacement with no associated damage
- 6 Road widening or roadway with partial or full-depth repair; Intersection improvement to add lanes or realignment; Bridges with a General Appraisal of 4 or Sufficiency Rating of 51-65; Culverts with inadequate flow capacity
- 8 Road widening to add lanes or complete full-depth reconstruction; Intersection improvements that include upgraded signalization due to traffic over capacity; Bridges with a General Appraisal of 3 or Sufficiency Rating of 26-50, or posted load reduction; Culverts with inadequate flow capacity and property damage (i.e. flooding)
- 10 Complete roadway reconstruction with widening; Intersection improvement to address excessive accident rate and/or inadequate level of service (include accident data or LOS from traffic study as appropriate); Bridges with General Appraisal of 2 or less, or Sufficiency Rating of less than 26; Culverts that are structurally deficient

Water, Wastewater, Storm Water, Solid Waste – Provide clear explanation of problem project addresses if not previously described and any OEPA or District Health Board orders, letters or documentation

- 0 Infrastructure to meet future or projected needs
- 2 Expanded infrastructure to meet specific development proposal
- 4 Infrastructure to meet current needs; Update processes to improve effluent or water quality; To remain in compliance with permit due to increased standards; Increase storm sewer capacity in which there is no associated land damage; Increase sanitary sewer capacity; Replace water meters as part of an upgrade
- 6 Update processes due to OEPA recommendations or to remain in compliance with permit due to repeat offenses; District health board recommendation; Increase storm sewer capacity that has associated land damage; Replace undersized waterlines as part of upgrade; Install new meters or replace meters that have exceeded useful life
- 8 OEPA recommendation to address documented health concerns; Replacement of storm or sanitary sewers due to chronic flooding, back-up, or property damage; Inadequate capacity to maintain pressure required for fire flows; Replacement of waterlines or towers due to excessive corrosion
- 10 OEPA Findings & Orders, OEPA orders contained in permit, Consent Decree Or Court Order; Structural separations (CSOs)

4. Condition of System to be repaired or replaced – Provide clear description of condition if not described in the application; photos are encouraged. (Maximum 10 points)

- 0 Fair to Good Condition: Project represents improvements of an existing public system in a non-deteriorated condition or project is considered new or expansion.
- 6 Poor Condition: Requires standard rehabilitation or repair to maintain integrity. Infrastructure is

deteriorated and should be repaired or replaced within next 2-5 years

8 Very Poor to Critical Condition: Requires extensive rehabilitation to partial reconstruction to maintain integrity

10 Failed Condition: Requires complete reconstruction or replacement where no part of the existing facility is salvageable.

5. Leveraging Ratio – The applicant has committed local and other funds to finance the following percentage of total project cost. OPWC loan funds should be included as the local share. (Maximum 10 points)

	<u>Repair/Replacement</u>	<u>New/Expansion</u>
0	10 or less	50 or less
1	11-15	51-55
2	16-20	56-60
3	21-25	61-65
4	26-30	66-70
5	31-35	71-75
6	36-40	76-80
7	41-45	81-85
8	46-50	86-90
9	51-55	91-95
10	more than 55	more than 95

6. Population Benefit – Provide Average Daily Traffic of all the roads included in the application or number of households directly using the improvements. (Maximum 5 points)

0	Less than 25
1	25-49
2	50-99
3	100-499
4	500-999
5	1,000 or more

7. District Priority Ranking (Maximum 10 points)

6	5 th ranked district project
7	4 th ranked district project
8	3 rd ranked district project
9	2 nd ranked district project
10	1 st ranked district project

8. Amount of OPWC Funding Requested (grant and loan) – Assistance exceeding \$500,000 must be in the form of a loan. (Maximum 10 points)

0	\$450,000 or more
2	\$350,000 - \$449,999
4	\$250,000 - \$349,999
6	\$150,000 - \$249,999
8	\$ 50,000 - \$149,999
10	Less than \$50,000

9. The Subdivision Has Agreed to Accept a Loan for the following percentage of OPWC assistance. (Maximum 10 points)

1	15 - 29% of OPWC assistance
5	30 - 49% of OPWC assistance

10 50 - 100% of OPWC assistance

10. Useful Life of Project (Maximum 5 points)

- 1 7 - 9 years
- 2 10 - 15 years
- 3 16 - 20 years
- 4 21 - 25 years
- 5 more than 25 years

11. Median Household Income of applicant from 2000 Census unless applicant provides a valid income survey approved by the Ohio Department of Development. (Maximum 10 points)

- 0 \$62,849 or more
- 2 \$51,423 - \$62,848
- 4 \$42,074 - \$51,422
- 6 \$34,425 - \$42,073
- 8 \$30,000 - \$34,424
- 10 Less than \$30,000

12. Readiness to proceed (maximum 5 points)

Status of Plans

- 0 Plans not yet begun
- 1 Plans underway (provide engineer's statement)
- 2 Plans complete (submit plan signed and stamped Title Sheet)

Status of funding sources other than OPWC. CFO Certification must clearly specify the amount of the local share committed and/or the loan repayment amount.

- 0 All funds not yet committed
- 2 Applications submitted to funding entities (submit first page of each application)
- 3 Funding committed (submit copies of commitment letters)

WATER & SEWER AFFORDABILITY STANDARDS

The Small Government Program uses affordability standards for water and sewer projects to determine the number of points (up to ten) to be added to the project's total score. For combined water and sewer bills, the Commission uses a factor of either 2.3 or 3.0 percent of the community's median household income to determine how much residents can afford to pay annually for water and sewer services. If a community's median household income is \$44,220 or less, the factor is 2.3 percent. If it is greater than \$44,220, the factor is 3.0 percent. As an example, if a community's median household income is \$35,000, then households within that community could afford combined annual water and sewer bills of \$805.00 (2.3 percent of \$35,000). Grant assistance is made available by the Commission to those communities whose existing annual rates, along with the annual cost to the residents if the community had to borrow the funds to construct the project, would exceed the threshold levels of affordability.

The following is used by the Commission to make its affordability determination:

- The subdivision's current water and sewer rates as supported by ordinance and evidence that rates are in active billing. The ordinance must be included with the application. Include both water and sewer rates regardless of the project type being applied for as the combined rates are used for the calculation. Also include any one-time assessments. If service is being supplied by a different entity the subdivision must obtain that rate information and supply it with the application. If rate information is not provided the application will be considered incomplete and the subdivision will not receive points for this criterion. Affordability calculated for new systems for which there are no existing water or sewer rates will use \$0 for the rate factor.
- The subdivision's actual average residential monthly usage rate for water and sewer. If information is not supplied with the application, 4,500 gallons per month will be assumed.
- The 2000 Census of Population and Housing to establish the community's median household income unless documentation is provided that a valid income survey has been conducted which shows an income different than that in the Census. The survey methodology and results must be approved by the Ohio Department of Development.
- The 2000 Census of Population and Housing to determine the number of households in the community unless the community has since received an updated population certification from the Ohio Secretary of State. This figure will be used as the number of residential connections, and beneficiaries for the application. If the number of water or sewer users is less than the number of households listed in the census, the applicant must include the actual number of residential water and/or sewer connections to benefit from the improvement.