

THE OHIO PUBLIC WORKS COMMISSION

SMALL GOVERNMENT PROGRAM APPLICATION GUIDELINES

Since the rating criteria used for the Small Government Program is different than that used by your district, it is important that you initially prepare your application to take advantage of the priorities your district has established in their rating system. (Your project must be rated and ranked for funding by your district before it can be recommended to the Small Government Commission). Copies of your district's rating system are available from your district liaison. (Call 614-466-0880 for the name and address of your liaison).

You may wish to provide additional information that will improve the competitiveness of your application when rated using Small Government criteria (attached) or if you feel there are special circumstances in your community which the Commission should know in evaluating your project.

General Guidelines

Higher points are given to projects that:

- Serve more households or average daily traffic.
- Have a higher percentage of local share of project costs.
- Bring your road, water or sewer project up to current standards.
- Volunteer to be partially or fully funded as a loan.

The Commission will use current U.S. Census data and Ohio EPA water and sewer survey information unless you provide us with other information which can be documented.

If your application is for a revenue generating project, the Commission uses Affordability Standards (attached) **which might be different from those used by your district.**

Photographs are very helpful to your district committee and the Small Government Program in evaluating your project. (Especially health and safety issues.)

You should emphasize the importance your project has to the economy of your community such as creating or retaining jobs, and its importance to existing commerce and business.

You should be aware of the following policies which have been adopted by the Small Government Commission:

- Grants are limited to \$500,000. Any assistance above that amount must be in the form of a loan.**
- The Commission will not provide funding for cost overruns.**
- 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 not be offered a grant, but a 1% to 3% loan.**
- If your project is dependant on funding from Rural Development or CDBG, you must include a written letter from that agency that funding will be available during the next construction season.**

SMALL GOVERNMENT CAPITAL IMPROVEMENTS COMMISSION
SMALL GOVERNMENT PROJECT EVALUATION CRITERIA

Amended August 22, 2006

1. Current Design Standards or Capacity Requirements

A. Does existing infrastructure meet current design standards or capacity requirements?

- 0 Yes
- Road resurfacing where the road currently meets minimum state standards (18 feet hard surface) for width or is not being brought to state standards, water tower repair
- 5 No, application is designed to address a component(s) of a larger system
- Sanitary, storm sewer and waterline replacement to current standards, new and/or replacement water tower, new and/or replacement water wells, bridge repair, improvements to water and sewer plants
- 6 Application is designed to bring a road project to state standards
- Road widening to state standards
- 7 Yes, but infrastructure is non-functioning and application will bring it into partial compliance
- Non-functioning sanitary and storm sewer replacement
- 10 No, application is designed to bring applicant into full compliance
- Street reconstruction to state standards, new and/or replacement sanitary sewer system, new and/or replacement water system, bridge replacement and/or structural upgrading

2. Ability and Effort of the Applicant to Finance the Project

A. Roads, Bridges, Storm Water, Solid Waste Projects

(Include a copy of your subdivision's annual budget, or evidence that your subdivision is in a state of fiscal emergency. If the foregoing is not included, no points will be awarded for this criteria.)

- 0 Total project cost represents less than 50% of subdivision's total annual revenues; less dedicated funds that legally cannot be used for the proposed project
- 5 Total project cost is between 50 - 100% of subdivision's total annual revenues; less dedicated funds that legally cannot be used for the proposed project
- 10 Subdivision is in fiscal emergency or total project cost exceeds 100% of subdivision's total annual budget; less dedicated funds that legally cannot be used for the project

B. Water and Sanitary Sewer Projects

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

3. Significance of Project to the Overall Economic Welfare of the Applicant
 - 0 Project will have no impact
 - Storm sewers, replacing water and sewer mains, water and sewer plant upgrades
 - 3 Project will have moderate impact
 - Road reconstruction/repaving, new water, sanitary sewer system, unless application refers to job creation/retention, waterline and sewer projects where the application specifically addresses job creation
 - 5 Project is necessary to maintain the economic health of the applicant
 - New water or sanitary system and roads and bridges if application has a direct impact on economic development, otherwise 3 points
4. Importance of Project to Health and Safety of Citizens
 - 0 Project has no, or extremely limited, impact on the health and safety of users
 - Basic road repaving, water tower repair
 - 5 Project has minor impact on health and safety of users
 - Water main replacement, road reconstruction, culverts and bridges, storm and sanitary sewers, new water tower, non-mandated water and sewer plant upgrades
 - 7
 - Mandated water or sewer treatment plant upgrades, road projects to eliminate hazards such as sight distance problems
 - 10 Project has major impact on health and safety of users
 - Mandated new sanitary sewer system, new water system, upgrades to make water drinkable or road and bridge projects that show a demonstrated impact on emergency services (police/fire/rescue)
5. Condition of System to be Repaired or Replaced (Public Systems Only)
 - 0 Fair to Good Condition: Project represents routine maintenance of an existing public system in a non-deteriorated condition or project is considered new or expansion
 - 6 Poor Condition: Requires standard rehabilitation to maintain integrity. Infrastructure is deteriorated and should be repaired or replaced within next 2-5 years
 - Basic road repaving and widening including minor full depth, partial depth repairing, replacement of bridge decks, replacement of water and sewer lines
 - 8 Very Poor to Critical Condition: Requires extensive rehabilitation to partial reconstruction to maintain integrity
 - Roads: extensive full depth, partial depth repair of roadway with repaving.
Bridges: removal and replacement of bridge superstructure, repair of existing water and sewer systems under OEPA findings and orders
 - 10 Failed Condition: Requires complete reconstruction where no part of the existing facility is salvageable.
Complete reconstruction of roadway or bridge

6. Leveraging Ratio

The applicant has committed local and other funds to finance the following percentage of total project cost

	Repair/Replacement	New/Expansion
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

7. Population Benefit

The proposed project will benefit the following numbers either through average daily traffic counts (based on the average verifiable ADT's of all the roads included in the application) or number of households directly using the improvements

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

8. District Priority Ranking

0	Less than 5th ranked District project
1	5th ranked District project
2	4th ranked District project
3	3rd ranked District project
4	2nd ranked District project
5	1st ranked District project

9. Amount of SCIP Funding Requested (Grants may not exceed \$500,000)

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 \$49,999

10. The Subdivision Has Agreed to Accept a Loan for the Following Percentage of OPWC Assistance

2	Between 10% and 19% of OPWC Assistance Amount
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- 3 20-29% of OPWC Assistance Amount
- 4 30-39% of OPWC Assistance Amount
- 5 40-49% of OPWC Assistance Amount
- 6 50-59% of OPWC Assistance Amount
- 7 60-69% of OPWC Assistance Amount
- 8 70-79% of OPWC Assistance Amount
- 9 80-99% of OPWC Assistance Amount
- 10 100% of OPWC Assistance Amount

11. Useful Life of Project

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

12. Median Household Income of Applicant (from 2000 Census)

- 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

13. The Subdivision has Agreed to Accept a Loan for the Entire OPWC Amount

- 0 0% Loan
- 3 1% Loan
- 4 2% Loan
- 5 3% Loan

14. Engineering, as a percentage of construction costs, is within the following range

	Non-utility projects	Utility projects
0	more than 15%*	more than 20%*
1	10.1-15%	15.1-20%
2	5.1-10%	10.1-15%
3	0.1-5%	5.1-10%
4	0%	0-5%

*If engineering exceeds 15% for a non-utility project, or 20% for a utility project, the applicant must provide a written statement establishing the reason for those fees.

WATER AND SEWER AFFORDABILITY STANDARDS CHECKLIST

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 your community's median household income is \$36,250 or less, the factor is 2.3 percent. If it is greater than \$36,250, 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.

You should be aware that the following will be used by the Commission unless you provide us with more recent data:

- We will use the most recent **water and sewer survey rates as published by the Ohio Environmental Protection Agency** unless the subdivision's current water and sewer rate ordinance is included as part of your application. In addition, if your subdivision is using general funds to subsidize your water and sewer operations, please include in your application the annual dollar value of general fund assistance, along with the supporting documentation for us to verify how much is going to your water or sewer fund.
- We will use the **2000 Census of Population and Housing** to establish your community's median household income unless you can document that a valid income survey has been conducted which shows an income different than that in the Census. At a minimum, the survey methodology and results must be acceptable to the Ohio Department of Development.
- We will use the **2000 Census of Population and Housing** to determine the number of households in your community. This figure will be used as the number of residential connections, and beneficiaries for your application. If the number of water or sewer users is different than the number of households listed in the census, please include the current number of residential water and/or sewer connections in your application.
- If your project will benefit less than your entire subdivision, please identify the number of households who will benefit from the improvement. In addition, if an income survey was conducted for the project area, please include the results of that survey.