



## Engineering Memorandum

March 12, 2025

RE: March 18, 2025 City Commission Meeting

### **NORTH INDUSTRIES IMPROVEMENTS STREET AND STORMWATER PROJECT – SID RESOLUTION 202216-1 TO LOWER INTEREST RATE**

For your consideration is a Resolution to modify the previously approved Resolution No. 17-2024 for the North Industries Improvements Street and Stormwater Project Special Improvement District 202216-1. This district was approved at the April 2, 2024 Commission Meeting. At the November 19, 2024 City Commission meeting, Resolution No. 47-2024 for the 2025 Road Maintenance Project Special Improvement District 202501-1 and 48-2024 for the 2025 Watermain and Lead Service Line Replacement Project Special Improvement District 202503-1 were approved. The two resolutions approved at the November 19, 2024 City Commission meeting set the interest rate at 3.7% which was the average daily 10-year Treasury Yield interest rate for the month of September 2024.

These protests did not meet the statutory requirement to bar the City from proceeding with the special improvement project at the time of the April 2, 2024 City Commission meeting.

The project benefits are listed below:

- The streets and storm water improvements to what is existing gravel surfaced roadways. These improvements will ensure safe access throughout the project area and reduce the frequency and severity of storm water impacts to the adjacent properties. The street improvements will extend the life expectancy of the roadways and will reduce maintenance costs for the City.

The total project construction cost is estimated to be \$1.40 million, which will be funded through a combination of special assessments and City funds. The total assessment estimate for the project is approximately **\$795,000** as per the latest engineering opinion of probable costs. The assessment amount will be included in property taxes and paid back over 10 years at an interest rate of 3.7%. Those who pay their assessments in full by October 1, 2026, will not be charged interest or penalties.

If this resolution is approved by the City Commission, engineering staff will proceed with the bidding of the project and to change the interest rate for the special improvement district.

Engineering staff recommend approval.

