



CITY COUNCIL MEMORANDUM

TO: City Council

FROM: Matthew R. Schmitz, MPA - City Manager

DATE OF MEETING: April 22, 2024

ITEM TITLE: Resolution to fix a date for a public hearing on a proposal to enter into a Sewer Revenue Loan and Disbursement Agreement and to borrow money thereunder in a principal amount not to exceed \$2,178,000

BACKGROUND:

During conversations with our Financial Advisor – Speer Financial, Inc., we discovered that we could apply for and possibly receive a loan for the Planning & Design portion of the Wastewater Treatment Plant project through the Iowa State Revolving Fund (SRF).

DISCUSSION:

This loan is a 0% interest loan during Planning & Design and then will transition over to being part of the main SRF construction funding loan when the project moves to Construction. The SRF has approved our application. To move forward with the debt issuance, the attached resolution needs to be approved by the City Council setting a public hearing. After that public hearing is held, then the City will need to pass a resolution authorizing the execution of the agreement. Bond Counsel (Dorsey & Whitney LLP) has been engaged to assist with this process as we move forward. This item only sets the public hearing for May 13th, 2024 @ 5:00 PM.

RESULTS:

The City has established priorities during strategic planning sessions. This item supports the Vision from that session of Expanding and Enhancing Infrastructure. This item helps achieve that vision by providing needed funding for the planning & design portion of this essential project.

FINANCIAL CONSIDERATION:

There will be publication costs related to the hearing being published in the required time frame. This is already budgeted in the Wastewater Department budget.

RECOMMENDATION:

Staff recommends a motion to set May 13, 2024, at 5:00 pm as a Public Hearing on the proposal to enter into a Sewer Revenue Loan and Disbursement Agreement and to borrow money thereunder in a principal amount not to exceed \$2,178,000.