

# EXECUTIVE BRIEF REGULAR MEETING

**AGENDA DATE:** July 20, 2021

**DEPARTMENT:** Water Utilities

**TITLE:**

Authorize Drinking Water State Revolving Fund Amendment 3 to Loan Agreement DW501731 for the 2-inch watermain phase 4 project

**SUMMARY:**

Amendment 3 adjusts the State Revolving Fund Loan DW501731 project costs and reduces the semiannual loan payment.

**BACKGROUND AND JUSTIFICATION:**

The City Water Utility Department has completed the 2-inch watermain replacement phase 4 project in District 1 with larger 4 and 6-inch diameter ductile iron and polyvinyl chloride pipe (PVC) pipe. To fund this capital improvement, the Utility sought water system revenue financing from the Drinking Water State Revolving Fund. The City was fortunate to receive a loan for this project.

This Amendment finalizes the project costs at \$2,907,708 (reduced by \$1,929,626 that was savings unused in the project) as the project has come to an end and reduces the projects semiannual loan payment as the project came in under the estimate. The first semiannual loan payment of \$80,017.76 is due by October 15, 2021.

**MOTION:**

Move to approve/disapprove the Drinking Water State Revolving Fund Amendment 3 to Loan Agreement DW501731 for the 2-inch watermain phase 4 project.

**ATTACHMENT(S):**

Fiscal Impact Analysis  
Amendment 3  
Amortization Schedule

**FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

<b>Fiscal Years</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Capital Expenditures	0	\$160,035.52	\$160,035.52	\$160,035.52	\$160,035.52
Operating Expenditures	0	0	0	0	0
External Revenues	0	0	0	0	0
Program Income	0	0	0	0	0
In-kind Match	0	0	0	0	0
<b>Net Fiscal Impact</b>	<b>0</b>	<b>\$160,035.52</b>	<b>\$160,035.52</b>	<b>\$160,035.52</b>	<b>\$160,035.52</b>
<b>No. of Addn'l Full-Time Employee Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

Account Number	Account Description	Project Number	Proposed FY22 Budget	Current Balance	Budget Transfer	Agenda Expenditure	Balance
402-7090-533.71-00	Principal					\$75,537.66	
402-7090-533.72-00	Interest					\$84,497.86	