

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 29, 2023

DEPARTMENT: Water Utilities

TITLE:

Authorize Drinking Water State Revolving Fund Amendment 2 to Loan Agreement DW501750 for the 2-inch Watermain Replacement Phase 5 and 6 Project

SUMMARY:

Amendment 2 reconciles the State Revolving Fund Loan DW501750 project costs and reduces the semi-annual loan payment.

BACKGROUND AND JUSTIFICATION:

The City Water Utility Department has completed the replacement and upsizing of the 2-inch galvanized watermain in the City. To fund this capital improvement, the Utility sought water system revenue financing from the Drinking Water State Revolving Fund.

This Amendment finalizes the project loan agreement at \$2,559,012.74 (reduced from \$3,623,940 due to unused funds remaining in the project) as the project has come to an end and reduces the projects semi-annual loan payment as the project came in under the estimate. The first revised semi-annual loan payment of \$64,158.95 due by November 15, 2023.

MOTION:

Move to approve/disapprove Drinking Water State Revolving Fund Amendment 2 to Loan Agreement DW501750 for the 2-inch Watermain Replacement Phase 5 and 6 Project

ATTACHMENT(S):

Fiscal Impact Analysis
Amendment 2 Loan Agreement
Amortization Schedule

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Inflows					
Current Appropriation	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows					
Current Appropriation	0	\$128,317.90	\$128,317.90	\$128,317.90	\$128,317.90
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions					
	0	0	0	0	0

Contract Award - Existing Appropriation	
	Expenditure
Department	Water
Division	Non Departmental
GL Description	Debt Service
GL Account Number	402-9010-519.71-20
Project Number	N/A
Requested Funds	\$128,317.90