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## CITY OF PORT LAVACA

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**CITY COUNCIL MEETING:** November 8, 2021

**AGENDA ITEM** \_\_\_\_\_

**DATE:** November 2, 2021

**TO:** THE HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**FROM:** SUSAN LANG, FINANCE DIRECTOR

**SUBJECT:** CONSIDER AND APPROVE RESOLUTION REGARDING A FINANCE CONTRACT FOR THE PURPOSE OF PROCURING WATER METERS

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**BACKGROUND:**

The City Council has discussed and approved the procurement of new water meters on multiple occasions. The final step in this process is to approve a resolution to secure the financing of the water meters through Government Capital Corporation (GCC) and to issue the financing contract as a “qualified tax exempt” obligation.

**FINANCIAL IMPLICATIONS:**

As previously discussed, this will be a five year commitment with the principal amount of \$2,400,000 at an interest rate of approximately 2.2% and annual payments to be approximately \$513,000. The first payment to begin one year after signing.

**GOAL – Protecting Investments:**

The City continues to invest in water and sewer line infrastructure replacement projects throughout the City, and the proper accounting of the amount of water being used by users of the system is necessary to protect and preserve the investments for future users.

**RECOMMENDATION:**

To approve the resolution regarding a finance contract for the purpose of procuring water meters.

**ATTACHMENTS:**

Resolution