



City of Stevenson

Leana Kinley, City Administrator

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To: Stevenson City Council
From: Leana Kinley, City Administrator
RE: Project Financing Options
Meeting Date: October 17, 2019

Executive Summary:

There are multiple public works projects the city has in process that need funding. Staff has applied for low-interest loans offered through the state and has not been successful. There are multiple funding options available and staff would like to discuss pros, cons and what projects to include.

Overview of Items:

There are multiple projects in the works that need funding. The options generally available include a traditional loan, financing contracts (lease), multi-year draw down loan or bonding. Staff is continuing to do the analysis on each option to determine the best strategy for the projects.

The Smart meter project is the most urgent financing need with the grant contract expected in the next month or two. The match funding can be financed through a contract, which acts similar to a lease since the meters are collateral. It can also be included in a multi-year draw down loan.

If the most economical option is to do a multi-year (3-years proposed in the attached document) draw-down loan, what projects does council want to include in the loan package? A list of current projects is included below.

- Energy Efficiency Grant Match-Smart meter project - \$330,000
- Loop Road Sewer Line Extension - \$300,000
- School Street Waterline Replacement - \$374,000

Action Needed:

Decision on what projects, or a total dollar amount limit, on a multi-year draw down loan option.