

CITY OF BLAINE
REQUEST FOR COUNCIL ACTION
MEETING DATE: April 24, 2006

SUBJECT: Application for Public Works Trust Fund Loan for Construction of the Lighthouse Point Water Reclamation Facility

SUBMITTING DEPT: Public Works

PREPARED BY: Steve Banham, Director

AGENDA LOCATION: Comments/Communications ☐; Consent ☐; Committee Reports ☐
Unfinished Business ☐; Council Action Items ☒; Public Hearing ☐; Standing Committees ☐

ATTACHMENTS: 1) None

ANALYSIS/SUMMARY: Public Works staff together with their rate and funding consultants have put together a funding plan for the new Lighthouse Point Water Reclamation Facility that anticipates obtaining a combination of grants and low interest loans. The City has been meeting regularly with members of various state agencies as we have progressed through the various planning stages. With the design in progress, we are ready to begin applying for these grants and loans.

A key part of this plan is obtaining a low interest Public Works Trust Fund loan for construction from the State's Public Works Board. These loans are 20-year 1% interest loans, which are very favorable terms, allowing the City the opportunity to minimize the expense to the ratepayer. The loans are provided on a competitive basis. Although it is not a certainty that the City will be given a loan, we believe circumstances are in our favor.

Public Works staff is preparing to submit an application for a \$7M Construction loan for the new plant by May 8th for funds that would be made available in 2007 for construction. If the application is selected, the City will be given another opportunity to formally accept the loan.

RECOMMENDATION: ☒ Waive 2nd Reading: Staff recommends that City Council authorize the City Manager to sign a loan application for a Public Works Trust Fund Loan for \$7M for the new Lighthouse Point Water Reclamation Facility.

FISCAL ANALYSIS: Funding to repay the PWTF loan would come from Wastewater Operations funds.

REVIEWED BY:

City Manager _____ Finance Dir. _____ City Clerk _____

COUNCIL ACTION:

☐ Approved ☐ Denied ☐ Tabled/Deferred ☐ Assigned to: _____

COUNCIL ACTION: _____