

ITEM # 16
DATE: 07-26-16

COUNCIL ACTION FORM

SUBJECT: SETTING DATE OF PUBLIC HEARING FOR STATE REVOLVING FUND CLEAN WATER LOAN IN AN AMOUNT NOT TO EXCEED \$797,000 FOR LIFT STATION IMPROVEMENTS

BACKGROUND:

The City's capital improvement plan includes a \$797,000 project to make significant improvements to two wastewater lift stations, referred to as the Orchard Drive Lift Station and the Highway 30 Lift Station. Both lift stations are nearing the end of their useful lives and are also in need of upgrades to ensure safe, reliable, and efficient operation.

A State Revolving Fund (SRF) Clean Water Loan in the amount of \$797,000 has been identified as the funding source for the lift station improvements. Repayment of the loan will be from wastewater utility revenues. A public hearing is required to proceed with the SRF loan.

ALTERNATIVES:

1. The City Council can set August 9, 2016 as the date of public hearing to enter into a State Revolving Fund Clean Water Loan agreement in an amount not to exceed \$797,000.
2. The Council can delay the hearing on the loan agreement and the project to improve the wastewater lift stations.

MANAGER'S RECOMMENDED ACTION:

Setting the date of public hearing will ensure that City staff can proceed with the loan funding and wastewater lift station improvements plan as previously approved by Council.

Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1 as described above.