



Legislation Text

File #: REP 16-400, **Version:** 1

Ordinance No. 16-018 Drinking Water State Revolving Fund (DWSRF) Loan for Surface Water Transmission Mains

Details: In June 2012, the City borrowed approximately \$8 million from the Drinking Water State Revolving Fund (DWSRF) for the initial phase of the Water Treatment Facility and Water Supply Project to bring surface water from the Jones and Boulder Creek watershed area to the City. In the fall of 2015, the City was awarded \$6.034 million in total proceeds from DWSRF for the next phase of the overall Water Supply Project. For DWSRF administrative reasons, the \$6.034 million awarded in 2015 was broken up into two separate loans. The first, which was approved by Council in December 2015 via Ordinance No. 15-031, was a \$2.6 million loan with 50% subsidy (or a loan principal forgiveness of \$1.3 million), 24-year loan term, and a 1.0% interest rate. The second loan, which still needs approval from Council, is for \$3.434 million with a 20-year loan term and a 1.5% interest rate. Attached for Council's information is the loan document and the loan ordinance authorizing the City to enter into the \$3.434 million loan agreement with the Washington State Public Works Board.

Presenter: Steve Wall, Public Works Director

Recommended Action: This item has also been placed on the October 17, 2016 Regular Meeting Agenda for Council's consideration.