



Request for Council Action

TO: Mayor and City Council
THROUGH: Tim Murray, City Administrator
FROM: Travis Block, Public Works Director
MEETING DATE: February 12, 2019
SUBJECT: Resolution 2019-025 Approving the Application for Public Facilities Authority Loan

Background:

The City is currently in the design phase for the construction of a drinking water treatment plant to remove iron and manganese from the water supply. The funding for the project is proposed to be provided by a loan for approximately \$12,700,000.00 from the Public Facilities Authority (PFA), which provides low interest loans (1-1.5% 20-year term) for public infrastructure improvements of this type.

The application process requires the passing of a resolution of application. The attached Resolution 2019-025 satisfies that requirement. The resolution will be included as part of the application that is to be submitted to the PFA by the March 28, 2019 deadline.

Recommendation:

Approve Resolution 2019-025

Attachments:

- Resolution 2019-025

CITY OF FARIBAULT

RESOLUTION #2019-025

APPROVING THE APPLICATION FOR PUBLIC FACILITIES AUTHORITY LOAN

WHEREAS, the water supply for the City of Faribault contains iron and manganese, which the City desires to remove; and

WHEREAS, plans and specifications have been prepared for the construction of a seven million gallon per day pressure filtration drinking water treatment plant; and

WHEREAS, the City of Faribault intends to use a loan from the Minnesota Public Facilities Authority to provide funding for the project.

NOW, THEREFORE BE IT RESOLVED, that the City of Faribault is hereby applying to the Minnesota Public Facilities Authority for a loan from the Drinking Water Revolving Fund for improvements to its drinking water system treatment system as described in the loan application.

ALSO, BE IT RESOLVED, that the City of Faribault estimates the loan amount to be \$12,700,000 or the as-bid cost of the project.

ALSO, BE IT RESOLVED, that the City of Faribault has the legal authority to apply for the loan, and the financial, technical, and managerial capacity to repay the loan and ensure proper construction, operation and maintenance of the project for its design life.

Date Adopted: February 12, 2019

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Timothy C. Murray, City Administrator