

City Council Agenda Memo

From: Jackie Lanning, City Engineer

Council Meeting: October 13, 2020

Subject: Resolution 20-082, Approving the Issuance and Sale of a Revenue Bond to Finance Drainage Improvements

Person(s) Responsible: Jackie Lanning, City Engineer

Summary:

This resolution will give approval for the City of Brookings to utilize a State Revolving Fund Loan with the South Dakota Department of Environment and Natural Resources for the State Avenue Watershed involving the drainage improvements in the Jefferson Avenue area.

Background:

The City Council adopted the Master Drainage Plan Priority List on June 11, 2019, which included the State Avenue Watershed Improvement Project, Phase 1, located in the Jefferson Avenue area in the Morningside Addition. The project includes storm sewer improvements along Jefferson Avenue and is budgeted for construction in 2021.

Item Details:

The City received approval for loan funding from the Clean Water State Revolving Fund (SRF) Program with the South Dakota Department of Environment and Natural Resources to finance this project. The loan will finance up to \$850,000 with terms of 2.5% interest for 20 years and will be repaid through the City drainage fund from the collected drainage fees. The City's bond council is represented by Meierhenry Sargent LLP from Sioux Falls. This resolution will give approval of the loan agreement from the State Revolving Fund Program for the Jefferson Avenue Drainage Improvement Project.

Legal Consideration:

The loan closing will be completed by the City Attorney and Meierhenry Sargent bond council.

Strategic Plan Consideration:

This project is a prioritized drainage project to improve storm water management in the State Avenue watershed. The project further meets Strategic Plan Stormwater Goal 2 to Improve the existing stormwater system through systematic prioritization.

Financial Consideration:

The City will repay the loan through the Storm Drainage Fund.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a study session
5. Do nothing

Staff recommends approval of the resolution as presented.

Supporting Documentation:

Resolution

Map