

PUBLIC WORKS AND UTILITIES COMMITTEE

09-0287R

RESOLUTION AUTHORIZING APPLICATION TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY AND TO ENTER INTO A LOAN/GRANT AGREEMENT FOR THE RECONSTRUCTION OF ARLINGTON PUMP STATION.

CITY PROPOSAL:

RESOLVED, that the city of Duluth is undertaking a major water system improvement program that will not only provide near-term water demands, but will also serve the city for the majority of this century.

Studies have shown that major improvements are needed for the Arlington pump station.

The estimated cost of reconstructing the Arlington pump station is \$2,605,900. The public facilities authority (PFA) may have grant and loan monies available from the American Recovery and Reinvestment Act (President Obama's stimulus package) to finance the city's share of the project costs.

To receive this money, the city must submit required information and enter into a loan/grant agreement with the Minnesota public facilities authority.

The proper city officials are hereby authorized to submit an application and to enter into a loan/grant agreement with the Minnesota public facilities authority for funding of the reconstruction of Arlington pump station as described in the application.

FURTHER RESOLVED, that the city of Duluth has the legal authority to apply for the money, and the financial, technical and managerial capacity to ensure proper construction, operation and maintenance of the project for its design life.

FURTHER RESOLVED, that the city of Duluth estimates the loan/grant amount to be \$2,605,800 or the as-bid costs of the project.

FURTHER RESOLVED, that the city hereby expresses its official intent to use proceeds of this loan to reimburse engineering and construction expenditures made

prior to the issuance of its general obligation bond to the public facilities authority.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

ENG MJG:jh 4/24/2009

STATEMENT OF PURPOSE: This resolution will authorize submission of an application and a loan/grant agreement with the Minnesota public facilities authority for the reconstruction of the Arlington pump station. The city's matching funds will be payable from the Water Bond Fund 0511, Department/Agency 500, Object 5532, City Project No. 0695WA.