



## ***Kalama City Council - Council Agenda Item Information Form***

**Meeting Date:** February 3, 2016

**Subject:** New Business – 7A – Department of Ecology Grant for Sewer System Plan Update

**Summary:** The City adopted a Sewer System Plan in 2002 and it is in need of updating for the future. The estimated cost is \$100,000 or more and the City applied for a grant to help fund the cost. Dept. of Ecology has listed the City's project as funded with a combination of grant (\$50,000) and loan (\$50,000) funding which does not require a city match. The loan would be for 5 years with a low interest rate.

**Recommendation :** It is the recommendation of staff that the City take the grant/loan funding package for completing this update. The update is overdue and this allows the City to spread the cost over a period of 5 years. The City will be able to cover the \$10,000 annual loan payments in future budgets. The project would not be completed until late 2017 or 2018 and therefore loan payments would probably not begin until 2018.

**Included in the Current Year's Budget** **NO** **If No – Fiscal Impact:** \$100,000

**Funding Source if not included in the current Budget:** Grant and Loan funds from DOE

**Alternatives:**

► **Draft/Suggested Motion:**

Authorize the Mayor or City Administrator to sign the necessary documents to accept the grant/loan funding for funds to be use for the Sewer System Plan Update.