



CITY OF MOLALLA

117 N. Molalla Avenue
PO Box 248
Molalla, OR 97038

Staff Report

Agenda Category: Ordinances & Resolutions

September 27, 2023

From: Mac Corthell, Assistant City Manager
Approved by: Dan Huff, City Manager

SUBJECT: Ordinance 2023-08 authorizing up to \$52 million in Revenue Bonds for the Wastewater Treatment Plant Upgrade Project (#19-10) in order to secure USDA Financing.

FISCAL IMPACT: No additional fiscal impact beyond previously approved borrowing levels.

RECOMMENDATION: Adopt.

BACKGROUND:

This ordinance is the next step in obtaining USDA funding to design and build the new wastewater treatment plant, project #19-10.

The total funding package will not exceed the \$52,000,000 which represents the already approved funding of approximately \$7,000,000 in permanent funding from DEQ CWSRF plus the \$45,000,000 approved for application from USDA. DEQ CWSRF funding will continue to be used in a gap capacity while the USDA financing package is finalized, but the overall amount of financing does not change.

- Resolution 2020-08 authorized **acceptance** of up to \$27,000,000 in borrowing capacity from DEQ CWSRF funding for the project.
- Resolution 2022-07 authorized staff to **apply** for \$45,000,000 in USDA financing for the project.
- Resolution 2023-29 authorizes staff to **apply** for up to \$52,000,000 in USDA financing for the project.
- Resolution 2023-30 authorizes **acceptance** of up to \$52,000,000 in borrowing capacity from DEQ CWSRF funds.
- Ordinance 2023-08 authorizes the sale of up to \$52,000,000 in revenue bonds to secure the USDA funding.