

TO: Honorable Mayor Rines, Members of the City Council & City Manager
FROM: E. Patrick Gilbert, CSD
DATE: January 12, 2006
RE: Northwest Quadrant Financial Plan

Please find below the original Northwest Quadrant project funding allocation and the new proposed funding scenario.

Original allocated Project Funding:

| | |
|-------------------|----------------|
| USDA / RD (grant) | \$439,672 |
| USDA/RD (loan) | 540,900 |
| CDBG (grant) | 400,000 |
| Water District | <u>570,660</u> |

Total \$1,951,232

Current allocated Project Funding:

| | |
|-------------------|----------------|
| USDA / RD (grant) | \$439,672 |
| USDA/RD (loan) | 540,900 |
| CDBG (grant) | 400,000 |
| Water District | 570,660 |
| Public Works Debt | <u>270,000</u> |

Total \$2,221,232

As you may recall the last bid came in \$475,000, or 25% of the estimated project cost, over budget, so even with the project reconfigured additional funds are still needed. We will be bidding the project with all the original roads, (Autumn, Upper and Lower Fountain, Pope, Clinton, Plaisted, Griffin & Cherry). The pipe work will be all trench work and all roads will be ground and reclaimed as opposed to full depth reconstruction.

Originally Wastewater and Public Works were going to split, at 50% each, the USDA/RD loan portion. Wastewater will now assume the entire dept for the USDA/RD loan and Public Works will obtain a bond in the amount of \$270,000.

Please find the attached Wastewater rate projections for impacts to sewer rates.

