

STAFF REPORT

October 26, 2020

Topic: Second reading and approval of Resolution 2020-17, relative to authorizing the City Manager to take any actions necessary to issue bonds for Lakeport Area Drainage, Roadway, and Sidewalk Upgrade project in the amount of \$1,600,000 and to schedule a public hearing and second reading on October 26, 2020 during the regular Council Meeting.

Discussion: The proposed Lakeport Area Drainage, Roadway and Sidewalk Upgrade bond provides the funding for the reconstruction of Mechanic Street (Clinton Street south to Union Ave), Franklin Street (Washington Street to School Street) and Elm Street (Elm Street Bridge over the Winnepesaukee River to Hickory Stick Lane) to include sidewalks and drainage. The road improvements will occur in conjunction with the water and sewer main replacement projects.

The sewer enterprise fund is funding the improvements to the sewer system and will share in the cost of the roadway project on Elm Street. Laconia Water Department is funding the improvements to its system.

The sewer system is over 100 years old in these areas and due to its condition, it cannot be repaired. Thus, it is critical that sewer mains be replaced to minimize impacts to Lakeport residents.

Low interest rates provide an opportunity to bond these projects and provide complete street reconstruction – drain, sidewalk and roadway.

Public Works' plan is to use funds from the annual Street Repairs CIP to make the bond payments. This concept even with making the bonds payments from the program will result in more funds available to pave streets that require less costly repairs. This will ultimately increase the miles of streets paved on a yearly basis.

The proposal was developed in coordination with the City's Finance Director.

Fiscal Impact: Exact fiscal impact is conditional on interest rates at the date of issuance. Finance intends to advertise the bond in early 2021 so that the funds are available in March of 2021. Public Works anticipates the interest rate will not exceed 2.75%

Staff Recommendation: Public Works recommends that the City Council approve the resolution authorizing A ten-year bond for capital projects in the amount of \$1,600,000.

This report submitted by: Krista Larsen, Assistant Public Works Director

Proposed motion:

"I move to waive a reading of this resolution in its entirety and to read by title only."

"I move a second reading of Resolution 2020-17, a resolution relative to authorizing

the City Manager to take any actions necessary to issue bonds for Lakeport Area Drainage, Roadway and Sidewalk Upgrade project in the amount of \$1,600,000.”

“I move to approve Resolution 2020-17, relative to authorizing the City Manager to take any actions necessary to issue bonds for Lakeport Area Drainage, Roadway and Sidewalk Upgrade project in the amount of \$1,600,000.”