ITEM #:	**29**
DATE:	**03-10-26**
DEPT:	**PW**

COUNCIL ACTION FORM

SUBJECT: **SANITARY SEWER AND MANHOLE REHABILITATION PROJECT (BASIN 11)**

BACKGROUND:

At its February 24, 2026 meeting, the City Council accepted the report of bids for the Sanitary Sewer and Manhole Rehabilitation Project (Basin 11) and delayed the award of the contract to allow staff to comply with procedures necessary to fulfill requirements of the State Revolving Fund (SRF) program. The SRF program provides funding in the form of a loan for the project.

The Capital Improvement Plan (CIP) identifies SRF funding for the project with debt service payments being made from revenues in the Sanitary Sewer Utility Fund.

The SRF loan will provide up to $2,100,000 of funding for this Sanitary Sewer System Improvements program. **This Council Action is to set the date of public hearing on March 24, 2026, which is required to proceed with the SRF loan, and award the project to the low bidder, Municipal Pipe Tool, of Hudson, IA.**

ALTERNATIVES:

1. Set March 24, 2026, as the date of public hearing to enter into a State Revolving Fund Clean Water Loan agreement in an amount not to exceed $2,100,000.

2. Delay the hearing on the loan agreement.

3. Finance these improvements from other revenues sources.

CITY MANAGER'S RECOMMENDED ACTION:

Setting the date of public hearing will ensure that City staff can proceed with the loan funding and sanitary sewer system improvements plan as previously approved by Council. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

ATTACHMENT(S):

Basin 11.pdf