

## MEMORANDUM

To: Members of the City Commission

From: Lisa Agnor, City Manager

Date: August 17, 2015

Subject: Consider approval of financing for the Bio-Tower Media Filter replacement at the Wastewater Treatment Plant

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The 2014 Budget, approved December 17, 2013, provided for the purchase of and debt service for Bio Tower Media Filter Replacement. The anticipated cost was \$500,000. The replacement of the Bio Tower Media Filter was not complete at December 2014, but completion is anticipated in the next three to four weeks at a total cost projection of \$614,844.

**Texas Bank and Trust** presented a proposed seven (7)-year loan payout with annual payments in arrears at a 2.238% interest rate.

**Citizens National Bank** presented a proposed seven (7)-year monthly payout at an interest rate of 3.10%. An annual payment had been requested.

### **STAFF RECOMMENDATION**

We recommend that the Commission approve financing for the Bio Tower Media Filter with Texas Bank and Trust at an interest rate of 2.238% for a term of seven (7) years, with annual payments in arrears.