

Authorizing Security Financial Bank Loan for Brunner Road/Kees Lane Road Improvements

Whereas, the Town of Durand, Pepin County, has been awarded \$712,124 of a \$1,016,680 project from the WISDOT Local Road Improvement Program, (LRIP) TRID Supplemental, for the purpose of financing the Brunner Road/Kees Lane Road Improvements; and

Whereas, the Town of Durand Board deems it necessary and in the best interest of the Town that, pursuant to the provisions of Section 67.12 (12), WI Statutes, advances up to \$1,016,680 be borrowed from Security Financial Bank, Durand WI ("Lender") for such purpose upon the terms and conditions hereinafter set forth. This amount will be borrowed as a General Obligation Promissory Note, borrowing funds up to \$1,016,680 in one or more advances, as needed for the 1st year, paying only the interest, at a rate of 6% per monthly until the LRIP supplement is received; and

Whereas, once the Town of Durand receives the LRIP Supplement funding of \$712,124, the above Promissory Note balance would be reduced, leaving the Town's portion of the Loan yet to be financed as a term note. A new General Obligation Promissory Note would be written to include the remainder of the Town's portion for the road Improvements not to exceed \$304,556 repaid over a five-year (5) term. The promissory note would be financed from Security Financial Bank, Durand WI ("Lender") for the rate of 6% per annum, paying interest and principal monthly until paid in full; and

Be It Further Resolved, the Town of Durand's levy for 2024 has not been increased for this project, but if an increase in the levy is needed to cover the Interest and Principal payments in future years, the Town Board would take the necessary actions, following the State Statutes 66.0602 to exceed the allowable levy limits for this purpose; and

Be It Further Resolved, that to evidence such indebtedness, said Town Chair and Town Clerk shall make, execute and deliver to the Lender for and on behalf of the Town, the promissory note payment of the Town to be dated no later than the 25th day of each month in said principal amount with interest at the rate of six percent (6%) per annum and payable as follows:

- In 2024, Monthly Interest only payments made on advanced amounts, until LRIP reimbursement is received, and
- 2024-2029, Town's remaining balance of debt paid with equal monthly payments of principal and interest until paid in full.

Roll call vote:

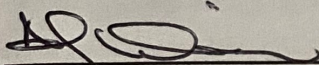
Chair Andy Winkler - yes

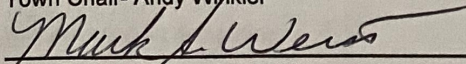
Supervisor Mark Weiss - yes

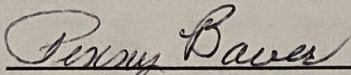
Supervisor Penny Bauer - yes

In favor 3 Oppose 0 Absent 0 Abstain 0

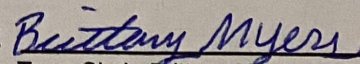
The Town of Durand Board adopted on this 8th day of January, 2024.


Town Chair- Andy Winkler


Town Supervisor - Mark Weiss


Town Supervisor - Penny Bauer

Date posted on Town's Website: 1-8-2024
This resolution shall be effective upon its adoption.

Attest: 
Town Clerk- Brittny Myers