

Guymon To Borrow Money For Shortfall In Building Projects

With the recent approval of the new library, animal shelter and fire station and construction already beginning, the City of Guymon has had to come up with a way to make up for the shortfall created when the current prices of the three buildings came in higher than what was borrowed in 2010. About a million dollars higher. But thanks to some additional grants from the Nash Foundation for not only the animal shelter — which will bear the Nash name — but also the library, the city is looking at needing to borrow an additional \$740,000. The library is the most pressing issue, as USDA loans and grants are on the line. “That project was actually part of the stimulus plan that was approved by Congress in 2009 to kind of get the economy going,” said Rick Smith of Municipal Financing Services. “The city was given a pretty sizeable grant because it was supposedly shovel-ready.” But recent controversies delayed the projects, which were put on the drawing board when Guymon citizens passed a penny sales tax earmarked for capital improvements, in 2007. “During that period of time, costs have gone up, and you’ve made changes,” Smith said. “That’s not an unusual situation.” But USDA Rural Development is ready to close the loan and grant on the library project. The problem is that even with the loan (more than \$3 million) and grant (\$660,000) from Rural Development, the city is still \$300,000 short. But thanks to an additional \$215,000 from the Nash Foundation earmarked for the library, the library project is about \$160,000 short. The animal shelter and fire station are about \$500,000 short. Smith presented three options: Take more money from the penny sales tax for other capital improvements such as roads, and put it towards the buildings; cut out various features of the projects, such as landscaping, or borrow more money. City Manager Ted Graham said cutting out items from the buildings is not an option, and council members didn’t want to use sales tax money set aside for other capital improvements like streets, sewer lines, etc. That left borrowing money, which Smith said was a last resort. Swager moved to borrow to satisfy the shortfall for all three buildings, and that passed, 5-0.

GDH/Shawn Yorks