

ITEM #: 16  
DATE: 10-24-23  
DEPT: FIN

**COUNCIL ACTION FORM**

**SUBJECT: RESOLUTION AUTHORIZING AND APPROVING A LOAN AGREEMENT, PROVIDING FOR THE SALE AND ISSUANCE OF GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2023D, AND PROVIDING FOR THE LEVY OF TAXES TO PAY THE SAME**

**BACKGROUND:**

The FY 2023/24 Budget includes General Obligation (G.O.) Bond-funded capital improvement projects in the amount of \$12,870,000. The City Council held a public hearing on the issuance of these bonds on April 11, 2023. Separately, on September 14, 2021, the City Council held a public hearing for the issuance of G.O. Bonds to fund a capital improvement project for the Indoor Aquatic Center. Council action is now required to authorize the sale.

Projects to be funded by this bond issue include the following:

Arterial Street Pavement Improvements	1,500,000
Asphalt Street Pavement Improvements	3,000,000
Concrete Pavement Improvements	950,000
Collector Street Pavement Improvements	1,200,000
Seal Coat Street Pavement Improvements	1,750,000
South 16th Street Road Widening	325,000
Campustown Public Improvements	1,200,000
Alley Pavement Improvements	400,000
Intelligent Transportation System	468,300
Traffic System Capacity Improvements	370,000
Indoor Aquatic Center (Essential Purpose URA)	1,000,000
Park System Facility Improvements (General Corporate Purpose)	500,000
<b>Subtotal Tax Supported Bonds</b>	<b>\$12,663,300</b>
<b>Estimated Issuance Costs</b>	<b>206,700</b>
<b>Grand Total – 2023/24 GO Issue</b>	<b>\$12,870,000</b>

On the morning of October 24, 2023, the City will accept bids for the bonds per the terms of our offering statement. The bids will be evaluated by our financial advisor, the City’s Bond Counsel, and by City staff to recommend award to the bidder with the lowest cost. A report of bids will be provided to Council at the October 24, 2023 meeting. The City Council will then be asked to adopt a resolution accepting bids and authorizing award of the sale of bonds to the chosen bidder.

**ALTERNATIVES:**

1. The City Council can adopt a resolution accepting bids and authorizing the sale and issuance of General Obligation Bonds in an amount not to exceed \$12,870,000.
2. The Council can reject the bond sale resolution and delay the capital projects.

**MANAGER'S RECOMMENDED ACTION:**

Issuance of these bonds is necessary in order to accomplish the City's approved capital improvements during this fiscal year. Therefore, it is the recommendation of the City Manager that the City Council accept Alternative No. 1, thereby adopting a resolution accepting bids and authorizing the sale and issuance of General Obligation Bonds in an amount not to exceed \$12,870,000.