

ITEM #: 29
DATE: 11-08-22

COUNCIL ACTION FORM

SUBJECT: SALE AND ISSUANCE OF ESSENTIAL CORPORATE PURPOSE GENERAL OBLIGATION BONDS SERIES 2022A ISSUE IN AN AMOUNT NOT TO EXCEED \$13,400,000

BACKGROUND:

The FY 2022/23 Budget includes General Obligation (G.O.) Bond-funded capital improvement projects in the amount of \$13,400,000. The City Council held a public hearing on the issuance of these bonds on March 8, 2022. 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:

Fire Apparatus Replacement	\$ 747,000
CyRide Route Pavement Improvements (Lincoln Way)	1,225,000
Concrete Pavement Improvements	3,600,000
Asphalt Street Pavement Improvements	3,000,000
Seal Coat Pavement Improvements	750,000
Alley Pavement Improvements	400,000
Downtown Pavement Improvements	250,000
Intelligent Transportation System	452,560
Bridge Rehabilitation (South Fourth St/loway Creek)	700,000
Indoor Aquatic Center - Essential Purpose URA	1,000,000
Fire Station 3 Concrete Rehabilitation - General Corporate Purpose	350,000
Downtown Plaza - General Corporate Purpose	700,000
Subtotal Tax Supported Bonds	\$13,174,560
Estimated Issuance Costs	225,440
Grand Total – 2022/23 GO Issue	\$13,400,000

On the morning of November 8, 2022, 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 November 8, 2022, 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. Adopt a resolution accepting bids and authorizing the sale and issuance of Essential Corporate Purpose General Obligation Bonds in an amount not to exceed \$13,400,000.
2. Reject the bond sale resolution and delay the capital projects.

CITY 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, as described above.