

ITEM #:	13
DATE:	09-09-25
DEPT:	FIN

COUNCIL ACTION FORM

SUBJECT: RESOLUTION SETTING THE DATE FOR SALE OF GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2025A FOR SEPTEMBER 23, 2025, AND AUTHORIZING THE USE OF PRELIMINARY OFFICIAL STATEMENT IN CONNECTION THEREWITH

BACKGROUND:

The FY 2025/26 Budget includes General Obligation (G.O.) Bond-funded capital improvement projects totaling **\$13,610,195**. As part of the budget process, the City Council held the required public hearing on March 25, 2025, which authorized the proceedings under *Iowa Code* Section 384.24A.

To finance these improvements, the City proposes to enter into two loan agreements.

The first is an **Essential Purpose Loan Agreement in a principal amount not to exceed \$13,500,000**, to fund street and related public infrastructure, lighting, signage, and signalization improvements, trail improvements at Ada Hayden Heritage Park, and improvements at the municipal airport.

The second is a **General Purpose Loan Agreement in a principal amount not to exceed \$235,000**, to fund the fire station alerting system improvements.

To proceed with the FY 2025/26 issuance, the City Council will need to approve the Preliminary Official Statement, which provides financial disclosures to prospective investors and is on file in the City Clerk's Office. The Council must also establish the bond sale date, recommended as September 23, 2025, and authorize the use of electronic bidding, which is permitted by *Iowa Code* and ensures a secure and competitive sale process.

The **Capital Improvements Plan's FY 2025/26 G.O. Bond issue includes the following:**

Fire Station Alerting System (General Corporate Purpose)	\$ 211,905
Asphalt Street Pavement Improvements	4,000,000
Concrete Pavement Improvements	3,800,000
Seal Coat Street Pavement Improvements	1,000,000
Collector Street Pavement Improvements	500,000
Alley Pavement Improvements	400,000
Downtown Street Pavement Improvements	250,000
Traffic System Capacity Improvements	1,520,000
Intelligent Transportation System	367,540
Airport Airside Improvements	531,750

Airport Facility Improvements	329,000
<u>Ada Hayden Heritage Park</u>	<u>700,000</u>
Total Project Costs	\$13,610,195

Issuance Costs/Rounding	124,805
Total Issuance Amount	\$13,735,000

The public hearing requirement has already been met, and the issuance complies with the City's debt management policy and statutory obligations governing municipal debt.

ALTERNATIVES:

1. Adopt a resolution approving the Official Statement for General Obligation Corporate Purpose Bonds, Series 2025A, setting the date of sale for September 23, 2025, and authorize electronic bidding for the sale.
2. Refer the Official Statement back to City staff for modifications.

CITY MANAGER'S RECOMMENDED ACTION:

Issuance of these bonds is necessary in order to accomplish the City's approved Capital Improvements Plan for the current fiscal year. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

ATTACHMENT(S):

[Ames_IA_2025A_GO_Preliminary_OS_for_City_Council_Approval.pdf](#)