



**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**02-021**

**SYNOPSIS -**

**AGENDA:**

JANUARY 7, 2002

Public hearing for issuance of Sewer Revenue Bonds in an aggregate amount not to exceed \$22,000,000. This will begin the process of borrowing from the capital markets to pay for the City's sanitary sewer improvements as approved in the City's Fiscal Year (FY) 2001-2002 and FY2002-2003 Capital Improvement Program (CIP).

**SUBJECT:**

PUBLIC HEARING  
AND PRELIMINARY  
OFFICIAL  
STATEMENT FOR  
SEWER REVENUE  
BOND ISSUE

The Preliminary Official Statement (POS) has been prepared for distribution to potential buyers of the City's bonds in the capital markets. The bonds will be advertised for sale on January 28, 2002.

**FISCAL IMPACT -**

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

The City pledges that annual debt service will be paid from revenues of the City's Sanitary Sewer System. This is a revenue bond issue-not a general obligation bond issue. Hence, the debt does not count toward the City's constitutional debt limit. The sanitary sewer projects are consistent with the FY2001-2002 and FY2002-2003 CIP, adopted by City Council on March 2, 2001.

**RECOMMENDATION -**

**SUBMITTED BY:**

MERRILL R.  
STANLEY  
FINANCE  
DIRECTOR

**1) Approve the issuance of Sewer Revenue Bonds in an aggregate amount not to exceed \$22,000,000.**

**2) Authorize the completion of distribution of the POS relating to the issuance of Sewer Revenue Bonds.**

**3) Direct the advertisement of sale of the bonds for January 28, 2002.**

**BACKGROUND -**

The sanitary sewer improvements to be financed include the following

estimated project costs:

NE Four Mile Trunk Sewer (Broadway and Hubbell Ave. Trunks)	\$1,230,000
Upper Union Park Sewer Separation Project	\$5,450,000
Clark Sanitary Station	\$1,500,000
Relining Sanitary Trunk Sewers	\$8,000,000
CSO Flow Meter Installation	\$ 225,000
East University Avenue Relief Sewer	\$ 485,000
City-wide Sanitary Sewers	\$1,130,000

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