



Council Communication

Office of the City Manager

Date

September 25, 2006

Agenda Item No. 21
Roll Call No. 06-
Communication No. 06-625
Submitted by: Allen McKinley
Director of Finance

AGENDA HEADING:

Resolution fixing date for a meeting on the proposition of the issuance of Stormwater Management Utility revenue bonds, not to exceed \$17,000,000, and providing for publication of notice thereof.

SYNOPSIS:

To fix the date for public hearing on November 6, 2006 for the issuance of Stormwater Management Utility revenue bonds in an aggregate amount not to exceed \$17,000,000. With this type of bond, there is a 30-day notice requirement. This will begin the process of borrowing from the capital markets to pay for the City's stormwater improvements as approved in the City's FY2006/07 – 2011/12 Capital Improvement Program.

FISCAL IMPACT:

The City pledges that annual debt service will be paid from revenues of the City's Stormwater Management Utility System. This is a revenue bond issue, not a general obligation bond issue. Hence, the debt will not count toward the City's constitutional debt limit.

ADDITIONAL INFORMATION:

The stormwater improvements to be financed include the following estimated project costs:

- Crawford Creek – Watershed Improvements - \$4,800,000:
This project provides for improvements addressing structural and capacity deficiencies in the 1,350 acre Crawford Creek Watershed.
- Dean's Lake Pump Station Improvements - \$3,000,000:
This project provides for construction of a stormwater pumping station in the Dean's Lake Watershed at the levee outlet to the Des Moines River, as recommended in the Dean's Lake Flood Control Study.
- Easter Lake Watershed Improvements - \$1,000,000:
This project provides for construction of retention basins and drop structure energy dissipaters to provide erosion protection and effective drainage for the tributaries of Easter Lake and protect the lake as a recreational asset.
- Flood Protection System Improvements - \$1,850,000:
This project provides for levee reconstruction at Central Place and Birdland Park and levee closure upgrades in the downtown area.
- Leetown Creekway, Wooden Box Replacement - \$1,500,000:

This project provides for replacement of the aging and deteriorating Leetown Creekway wooden box sewer between Easton Boulevard at East 26th Street and East University Avenue at East 30th Street.

- Twelfth Street Storm Sewer - \$2,850,000:
This project provides for construction of a storm sewer in 12th Street from Cherry Street to High Street – separating the combined sewers in the immediate vicinity of the project.

PREVIOUS COUNCIL ACTION(S):

Date: September 11, 2006

Roll Call Number: 06-1783

Action: [Intent](#) under treasury regulation to issue debt to reimburse Des Moines Stormwater Utility for expenditures paid in conjunction with proposed projects. ([Council Communication No. 06-561](#)) Moved by Vlassis to adopt. Motion Carried 6-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

November 6, 2006: Public hearing and authorization to proceed with the issuance of Stormwater Management Utility Revenue Bonds, not to exceed \$17,000,000.

December 4, 2006: Approval of Preliminary Operating Statement and bids for the sale of bonds.