



Council Communication

Office of the City Manager

Date November 20, 2006

Agenda Item No. 35
Roll Call No. 06-
Communication No. 06-744
Submitted by: Allen McKinley, Finance
Director/Treasurer

AGENDA HEADING:

Resolution Directing the Advertisement for Sale of \$16,750,000 Stormwater Management Utility Revenue Bonds Series, 2006D

SYNOPSIS:

To approve the Preliminary Official Statement and to direct the City Clerk to publish notice of the sale of \$16.75 million of stormwater management utility revenue bonds on November 29, 2006, and that the City Council will meet at 4:00 P.M. on that same day to receive and act upon those bids. The amount of bonds to be sold has been reduced \$250,000 due to more precise estimates for debt reserve requirements and issuance costs.

FISCAL IMPACT:

The City pledges that annual debt service will be paid from revenues of the City's Stormwater Management Utility System. Because this is a revenue bond issue, and not a general obligation bond issue, 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.

In addition to project funding, the bond issue will fund bond issuance costs and the establishment of a debt service reserve fund. The bonds are scheduled for sale on Wednesday, November 29th; this continues the practice of selling on a Wednesday. This date also was chosen in coordination with other known local bond issues scheduled for sale in early December.

PREVIOUS COUNCIL ACTION(S):

Date: November 6, 2006

Roll Call Number: 06-2203

Action: [Authorization](#) for additional action. Moved by Coleman to adopt. Motion Carried 6-0.

Date: November 6, 2006

Roll Call Number: 06-2202

Action: [On](#) issuance of Stormwater Management Utility Revenue Bonds, not to exceed \$17,000,000 (Bonds will be sold on Wednesday, November 29 in the morning and a Special City Council Meeting will be held at 4:00 PM to approve the sale). ([Council Communication No. 06-684](#)) Moved by Coleman to adopt. Motion Carried 6-0.

Date: September 25, 2006

Roll Call Number: 06-1875

Action: [On](#) issuance of Stormwater Management Utility Revenue Bonds, not to exceed \$17,000,000, (11-6-06). ([Council Communication No. 06-625](#)) Moved by Vlassis to adopt. Motion Carried 6-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

November 29, 2006: Special council meeting to award sale of bonds.

December 4, 2006: Approval of bond documents.