



**Council  
Communication**  
Office of the City Manager

<b>Date</b>	April 7, 2008
<b>Agenda Item No.</b>	<b>29</b>
<b>Roll Call No.</b>	<b>08-</b>
<b>Communication No.</b>	<b>08-177</b>
<b>Submitted by:</b>	<b>Allen McKinley, Finance Director</b>

**AGENDA HEADING:**

Electing classifications and setting the date of public hearings regarding the issuance of general obligation bonds for the FY2008-09 Capital Improvement Budget (April 21, 2008).

**SYNOPSIS:**

Approval of project classifications and set the date of April 21, 2008, to hold seven public hearings regarding the issuance of general obligation bonds for the FY2008-09 Capital Improvement Budget. This is the first step in the process to finance the construction of capital projects totaling \$30.98 million.

**FISCAL IMPACT:**

Amount: \$30,980,000 (\$30,470,000 project costs and \$510,000 issuance expenses)

Funding Source: Fiscal Year 2008-09 Operating Budget:

- Property Tax Debt Service Levy – Debt Service Fund – DS001 FIN900100, Page 153.
- Tax Increment Fund – Special Revenue Fund – SP370 FIN909105, Page 154.

**ADDITIONAL INFORMATION:**

A public hearing must be held prior to any borrowing by the City. This action sets the date for the public hearing to consider bonding for the FY2008-09 Capital Improvement Budget that was approved by City Council on February 25, 2008. City staff has determined that there is no need to issue bonds at this time for the Eastside Parking Garage because an alternative financing method is being considered and so \$8.9 million of bonds have been deleted from the anticipated bond sale. If that alternative becomes unworkable a separate bond issue may be pursued later in the year. City staff is also in the process of reviewing projects that projected the availability of non-city funding to determine the certainty of those funds. **The final sizing of the bonds will not be established until staff has presented to the City Council the status of non-city funding related to the projects that will be funded in part with bond proceeds from this issuance.** Specific projects to be financed are detailed in a list at the end of this communication. Projects are summarized by category, as follows:

<u>CATEGORY</u>	<u>AMOUNT</u>
• Bridge Improvements	\$ 1,000,000
• Neighborhood/Economic Development Improvements	\$ 2,000,000
• Fire Protection Improvements	\$ 5,490,000
• Library Improvements	\$ 600,000

• Municipal Building Improvements	\$ 2,095,000
• Park Improvements	\$ 7,440,000
• Sidewalk Improvements	\$ 1,075,000
• Street Improvements	\$10,355,000
• <u>Traffic Control Improvements</u>	<u>\$ 415,000</u>
<u>TOTAL PROJECT IMPROVEMENTS</u>	<u>\$30,470,000</u>
<u>Issuance Costs</u>	<u>\$ 510,000</u>
<b>TOTAL BOND ISSUE</b>	<b>\$30,980,000</b>

**PREVIOUS COUNCIL ACTION(S):**

Date: February 25, 2008

Roll Call Number: [08-335](#)

Action: [Proposed](#) Annual Budget for the fiscal year ending June 30, 2009 and Capital Improvements Program for fiscal years 2008-09 to 2013-2014. ([Council Communication No. 08-103](#)) Moved by Hensley to adopt. Motion Carried 6-1. Nays: Coleman.

**BOARD/COMMISSION ACTION(S): NONE****ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Anticipated future actions as follows:

April 21, 2008: Public hearing concerning issuance of bonds

May 5, 2008: Directing sale of bonds and approval to release preliminary offering statement.

June 4, 2008: Special Council meeting to award low bid on sale of bonds.

June 9, 2008: Council authorization to issue bonds and levy taxes.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).

**PROJECT CLASSIFICATIONS**  
**and**  
**HEARINGS SUMMARY**

**ECP-1**

**NOT TO EXCEED \$20,740,000**  
**GENERAL OBLIGATION BONDS**  
(Misc. Essential Corporate Purposes)

*Bridge and Viaduct (\$1,000,000)*

- City-wide Bridges (\$150,000)
- East Payton Avenue over Stream (\$100,000)
- Structural Repair and Corrosion Protection \$750,000)

*Economic Development Improvements (\$2,000,000)*

- Neighborhood Development Corporation (\$1,000,000)
- Neighborhood Finance Corporation (\$1,000,000)

*Fire Protection Improvements (\$1,240,000)*

- Equipment Acquisition (\$1,240,000)

*Municipal Improvements (\$20,000)*

- Removal of Underground Storage Tanks (\$20,000)

*Parks Improvements (\$6,770,000)*

- Cemetery Infrastructure and Improvements (\$270,000)
- Evelyn K Davis Park Improvements (\$65,000)
- Fleur Drive Planters (\$450,000)
- Forestry Improvements (\$105,000)
- Fort Des Moines Stabilization Projects (\$75,000)
- Gray's Lake Park Improvements (\$230,000)
- Greenhouses at Chesterfield (\$100,000)
- Maintenance Facility Improvements (\$75,000)
- Neighborhood Park Improvements (\$1,595,000)
- Neighborhood Streetscape Matching Funds (\$25,000)
- Park Building Improvements (\$665,000)
- Park Redevelopment \$1,385,000)
- Public Art (\$250,000)
- Recreation Trails (\$1,045,000)
- Skate Park (\$15,000)
- Soccer Complex (\$210,000)

- Urban Conservation Projects \$50,000)

Sidewalk Improvements (\$625,000)

- City-wide Sidewalks – ADA Compliance (\$300,000)
- City-wide Sidewalk Replacement-Public Works (\$250,000)
- School Routes and Priority Sidewalks (\$75,000)

Street Improvements (\$8,630,000)

- Army Post Widening – SE 5<sup>th</sup> to SW 9<sup>th</sup> (\$150,000)
- Asphaltic Paving Restoration (\$750,000)
- City-wide Paving (\$600,000)
- Concrete Curb & Median Replacement (\$525,000)
- Concrete Paving Restoration – PW (\$535,000)
- E 14th St. - E. Sheridan Ave/Ovid (\$100,000)
- E. Indianola Widening - S.E. 14th/Cnty Line (\$800,000)
- E 33<sup>rd</sup> and Easton Blvd. Intersection Improvements (\$150,000)
- McKinley Ave. Widening - Fleur Drive to E. Indianola Ave. (\$1,500,000)
- Merle Hay Rd and Urbandale Ave Intersection Imp. (\$100,000)
- Neighborhood Infrastructure Rehabilitation Program (\$1,000,000)
- NE 56<sup>th</sup> Street Reconstruction (\$600,000)
- PCC Pavement Replacement (\$250,000)
- Pennsylvania Ave Widening – Buchanan to Filmore (\$270,000)
- Rehabilitation and Preservation of Major Roadways (\$300,000)
- Streetscape Improvements (\$1,000,000)

Traffic Control Improvements (\$415,000)

- City-wide Traffic Signal Interconnect (\$235,000)
- City-wide Signals, Channelization (\$150,000)
- City-Wide Neighborhood Traffic Control Program (\$30,000)

Issuance Costs (\$200,00)

**ECP-2**

**NOT TO EXCEED \$6,425,000  
GENERAL OBLIGATION BONDS**

(Essential Corporate Purposes - Urban Renewal)

Fire Improvements (\$4,000,000)

- Maintenance/Logistic and Training Campus (\$4,000,000)

Parks Improvements (\$50,000)

- Principal Park Stadium Improvements (\$50,000)

Sidewalk Improvements (\$450,000)

- Downtown Skywalk System (\$450,000)

Street Improvements (\$1,725,000)

- Downtown Area Street Restoration (\$300,000)
- High Street Realignment – 10thSt to 14th Street (\$570,000)
- Riverpoint West Street Improvements (\$355,000)
- SE 6th Street Widening – Court to DM River (\$500,000)

Issuance Costs (\$200,000)

**GCP-3**

**NOT TO EXCEED \$620,000  
GENERAL OBLIGATION BONDS**

(General Corporate Purposes - Library)

Library Improvements (\$600,000)

- Collection Additions and Replacement (\$500,000)
- Miscellaneous Building Improvements (\$100,000)

Issuance Costs (\$20,000)

**GCP-4**

**NOT TO EXCEED \$475,000  
GENERAL OBLIGATION BONDS**

(General Corporate Purposes - Fire and Mun Bldg)

Fire Protection Improvements

- Fire Station Remodeling (\$255,000)

Municipal Building Improvements

- Enhanced City-Wide Info System (ERP Sys - \$205,000)

Issuance Costs (\$20,000)

**GCP-5****NOT TO EXCEED \$945,000  
GENERAL OBLIGATION BONDS**

(General Corporate Purposes – Municipal Building)

Municipal Building Improvements (\$920,000)

- Energy Conservation (\$100,000)
- HVAC, Electrical, & Plumbing Imp. (\$200,000)
- Municipal Building Improvements (\$250,000)
- Municipal Building Reroofing (\$200,000)
- Parking Lot Rehabilitation (\$50,000)
- Police Academy Improvements (\$100,000)
- Public Works Building Improvements (\$20,000)

Issuance Costs (\$25,000)**GCP-6****NOT TO EXCEED \$800,000  
GENERAL OBLIGATION BONDS**

(General Corporate Purposes – Parks)

Park Improvements

- Blank Park Zoo Improvements (\$315,000)
- Community Center Improvements (\$280,000)
- First Tee (\$25,000)
- Swimming Pool and Aquatic Improvements (\$160,000)

Issuance Expense (\$20,000)**GCP-7****NOT TO EXCEED \$975,000  
GENERAL OBLIGATION BONDS**

(General Corporate Purposes - Municipal Improv.)

Municipal Improvements (\$950,000)

- Enhanced City-Wide Info System (Servers, Mass Storage, Network Imp, etc. - \$950,000)

Issuance Costs (\$25,000)

**SUMMARY**

Hearing	Principal amount of Projects included in Hearing	Estimated Cost of Issuance	Adjusted Hearing Amounts
ECP-1	\$20,540,000	\$200,000	<b>\$20,740,000</b>
ECP-2	\$ 6,225,000	\$200,000	<b>\$ 6,425,000</b>
GCP-3	\$ 600,000	\$ 20,000	<b>\$ 620,000</b>
GCP-4	\$ 455,000	\$ 20,000	<b>\$ 475,000</b>
GCP-5	\$ 920,000	\$ 25,000	<b>\$ 945,000</b>
GCP-6	\$ 780,000	\$ 20,000	<b>\$ 800,000</b>
GCP-7	<u>\$ 950,000</u>	<u>\$ 25,000</u>	<u><b>\$ 975,000</b></u>
	<u><b>\$ 30,470,000</b></u>	<u><b>\$510,000</b></u>	<u><b>\$30,980,000</b></u>