

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 28, 2010
	Agenda Item No. 30 Roll Call No. <u>10-1041</u> Communication No. <u>10-374</u> Submitted by: Allen McKinley, Finance Director

AGENDA HEADING:

Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the City for certain original expenditures paid in connection with specified storm water projects.

SYNOPSIS:

The City has begun incurring project costs from its storm water operating funds with the anticipation that the funds will be reimbursed from the proceeds of a future bond issue as contemplated in the adopted Capital Improvement Program. The approval of this resolution will make the reimbursement allowable under U.S. Treasury regulations.

FISCAL IMPACT:

Amount: \$3,000,000

Funding Source: Annual principal and accrued interest costs on revenue bond debt will be retired through storm water user fees deposited in the Storm Water Enterprise Fund (EN301 PWK077001).

ADDITIONAL INFORMATION:

The adopted Capital Improvement Budget contemplates the issuance of \$7 million of storm water revenue bonds to fund a portion of the Storm Water Capital Improvement Budget. The City has begun incurring costs on two projects that are to be funded with revenue bonds and in order to allow these current expenditures to be reimbursed with bond proceeds at a later date the City Council needs to adopt this reimbursement resolution. The two projects are Flood Protection System Improvements (\$8.8 million project) and Dean’s Lake Pump Station/Conveyance Improvements (\$6.4 million project).

PREVIOUS COUNCIL ACTION(S):

Date: February 22, 2010

Roll Call Number: 10-295

Action: [On](#) proposed Annual Budget for fiscal year ending June 30, 2011 and adopting the Capital Improvements Program (CIP) for 2010/11 – 2015/16. ([Council Communication No. 10-107](#)) Moved

by Coleman to adopt. Council Member Hensley votes No on the Mayor/Council Budget. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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