

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> June 11, 2012
	<b>Agenda Item No.</b> 61A <b>Roll Call No.</b> <u>12-0940</u> <b>Communication No.</b> <u>12-272</u> <b>Submitted by:</b> Scott E. Sanders, Finance Director

**AGENDA HEADING:**

Resolution declaring an official intent under treasury regulation 1.150-2 to issue debt to reimburse the Des Moines Sanitary Sewer Utility for certain original expenditures paid in connection with proposed projects.

**SYNOPSIS:**

The adopted CIP anticipated the issuance of \$13,000,000 of Sanitary Sewer Revenue Bonds for a number of projects. On August 8, 2011 (RC 11-1377), a Reimbursement Resolution was passed for the Riverpoint Trunk Separation and Pump Station project and the payment to the Iowa Department of Transportation (IDOT) for the 1-235 project. This additional Reimbursement Resolution is to address construction that is under way in the City-Wide Sanitary Sewers and Lining Sanitary Trunk and Lateral Sewer projects. This resolution will allow the City to continue the projects unabated to be paid with cash on-hand until reimbursement upon issuance of the debt.

**FISCAL IMPACT:**

Amount: \$6,000,000

Funding Source: 2012-2013 CIP, Page Sanitary Sewer-6, City-Wide Sanitary Sewers, SAE054 and Page 12, Lining Sanitary Trunk and Lateral Sewers, SAE049.

**ADDITIONAL INFORMATION:**

The adopted CIP anticipated the issuance of \$13,000,000 in debt to finance the above projects. The user fee rates were adjusted to reflect the principal and interest payments associated with this debt.

**PREVIOUS COUNCIL ACTION(S):**

Date: February 27, 2012

Roll Call Number: [12-0334](#)

Action: [On](#) proposed annual budget for fiscal year ending June 30, 2013 and adoption of the Capital Improvement Program (CIP) for 2012-2013/2017-2018. ([Council Communication No. 12-101](#)) Moved by Coleman to adopt; Motion Carried 6-1. Nays: Griess.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

A hearing is being set for June 25th to consider issuance of General Obligation Bonds to be paid entirely by the Sanitary Sewer Enterprise. The debt would be issued in late July. The Sanitary Sewer Enterprise will cash flow these projects from operating funds until receipt of the bond proceeds as a reimbursement.

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).