

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 24, 2014
	Agenda Item No.	33
	Roll Call No.	<u>14-0290</u>
	Communication No.	<u>14-081</u>
	Submitted by:	Scott E. Sanders, Assistant City Manager/Finance Director

AGENDA HEADING:

Set date for public hearings regarding the issuance of general obligation bonds for the Fiscal Year (FY) 2014-15 Capital Improvement Budget.

SYNOPSIS:

Set date for nine (9) public hearings regarding the issuance of general obligation bonds for the FY 2014-15 Capital Improvement Budget. This is the first step in the process to finance the construction of capital projects totaling \$26,565,000. These hearings are being held in tandem with the approval of the budget so that the debt service payments associated with these projects can be included in the FY 2014-15 budget.

FISCAL IMPACT:

Amount: \$27,005,000 plus interest; made up of \$26,565,000 project costs and \$440,000 issuance expenses.

Funding Source: FY 2014-15 Operating Budget: Property Tax Debt Service Levy – Debt Service Fund – D001, FIN900100

ADDITIONAL INFORMATION:

A public hearing must be held prior to any borrowing by the City. This hearing is to consider borrowing for the FY 2014-15 Capital Improvement Budget that will be submitted for approval by City Council on March 10, 2014. City staff reviewed projects that anticipated the availability of non-City funding to determine the certainty of those funds. The final sizing of the bonds will occur in May with the bond sale planned for June. Below is the current status of non-City funding related to the projects that will be funded in part with bond proceeds from this issuance.

- Multi-Use Trails - \$1,200,000 bonds (\$300,000 federal – committed, \$330,000 federal - uncommitted)
- Multi-Use Trail Bridges - \$400,000 bonds (\$500,000 private – uncommitted)
- Urban Conservation - \$580,000 bonds (\$300,000 state – committed)
- Bicycle Master Plan Implementation - \$220,000 bonds (\$400,000 federal – committed)
- Indianola Ave Widening - SE 14th Street - Army Post Road - \$1,200,000 bonds (\$1,800,000 federal – committed)

- Southeast Connector - SE 14th Street to SE 30th Street - \$500,000 bonds (\$7,000,000 federal – committed; \$3,000,000 state – committed)
- Traffic Control Neighborhood Program - \$190,000 bonds (\$350,000 state – committed)
- Traffic Signals, Channelization, and School Crossings - \$270,000 bonds (\$480,000 federal committed; \$9800,000 state – committed; \$120,000 state – uncommitted and application made)
- Traffic Signal Interconnection - \$155,000 bonds (\$560,000 federal – committed; \$200,000 state – committed)

City staff will continue to review general obligation funding needs to monitor if additional grant funding can reduce the amount of City debt 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	\$ 250,000
Fire Protection Improvements	\$ 1,395,000
Library Improvements	\$ 1,330,000
Miscellaneous Improvements	\$ 4,305,000
Municipal Building Improvements	\$ 3,625,000
Park Improvements	\$ 5,400,000
Street Improvements	<u>\$ 10,260,000</u>
TOTAL PROJECT IMPROVEMENTS	\$ 26,565,000
Issuance Costs	<u>\$ 440,000</u>
TOTAL BOND ISSUE	\$ 27,005,000

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- March 10, 2014: Hold hearings on debt issuance and approve Capital Improvement Program. Approve levy for debt payment to be included in the FY 2014-15 budget; also known as a “pre-levy.”
- Early June, 2014: Directing sale of bonds and approval to release preliminary offering statement.
- June, 2014: Special Council meeting to award low bid on sale of bonds.
- July, 2014: 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 first 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.

PROJECT CLASSIFICATIONS
and
HEARINGS SUMMARY

ECP-1

NOT TO EXCEED \$19,655,000
GENERAL OBLIGATION BONDS
(Essential Corporate Purposes)

Bridge Improvements (\$250,000)

- City-wide Bridge Repairs (\$150,000)
- Evergreen Ave Bridge/Easter Lake (\$100,000)

Fire Protection Improvements (\$1,320,000)

- Equipment Acquisition (\$1,320,000)

Miscellaneous Improvements (\$3,305,000)

- Neighborhood Finance Corp. (\$1,000,000)
- Neighborhood Development Corp. (\$1,000,000)
- City Tree Replacement Fund (\$200,000)
- 1422 Scott Acquisition and Demolition (\$250,000)
- Emerald Ash Borer Response Plan (\$730,000)
- Public Art (\$100,000)
- Underground Storage Tank (\$25,000)

Parks Improvements (\$4,270,000)

- Cemetery Infrastructure and Improvements (\$80,000)
- Gray's Lake Park Improvements (\$170,000)
- Neighborhood Park Improvements (\$1,020,000)
- Park Building Improvements (\$450,000)
- Multi-Use Trails (\$1,200,000)
- Multi-Use Trail Bridges (\$400,000)
- Road, Sidewalk, and Utility Improvements (\$335,000)
- Urban Conservation Projects (\$580,000)
- Walnut Creek Trail Landscaping (\$35,000)

Street Improvements (\$10,260,000)

- Asphaltic Paving Restoration (\$700,000)
- Bicycle and Trails and Master Plan Implementation (\$220,000)
- Concrete Curb & Median Replacement (\$545,000)
- Concrete Paving Restoration (\$700,000)
- Indianola Avenue Widening (\$1,200,000)
- East 46th and Hubbell Intersection (\$350,000)
- Neighborhood Infrastructure Rehabilitation Program (\$1,190,000)

Street Improvements (continued)

- Park Avenue Widening – SW 56th St to SW 63rd St (\$150,000)
- PCC Pavement Replacement (\$225,000)
- Railroad Crossing Surface Repairs/Signal Imp. (\$50,000)
- Rehabilitation and Preservation of Major Roadways (\$250,000)
- Residential Paving Program (\$100,000)
- Sidewalk Replacement Program (\$575,000)
- Sidewalks – ADA Compliance (\$1,500,000)
- Sidewalks – School and Priority Routes (\$150,000)
- SE Connector – SE 14th to SE 30th (\$500,000)
- SE Connector SE 30th to US 65 (\$500,000)
- Streetscape Improvements (\$600,000)
- Traffic Control Neighborhood (\$190,000)
- Traffic Median Island Replacement (\$80,000)
- Traffic Signal, Channelization, and School Crossings (\$270,000)
- Traffic Signal Interconnection (\$155,000)
- Traffic Sign Inventory Program (\$60,000)

Issuance Costs (\$250,000)

GCP-2

NOT TO EXCEED \$720,000
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Library)

Library Improvements (\$690,000)

- Curtain Wall Window Replacement Southside Library (\$50,000)
- Miscellaneous Building Improvements - Library (\$185,000)
- Replacement of Ancillary HVAC Units ant Central (\$175,000)
- Security Camera System - Libraries (\$280,000)

Issuance Costs (\$30,000)

GCP-3

NOT TO EXCEED \$950,000
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Fire, Municipal Buildings)

Fire Improvements (\$75,000)

- Fire Station Remodeling (\$75,000)

Municipal Building Improvements (\$825,000)

- HVAC, Electrical & Plumbing Improvements (\$625,000)
- Public Works Building Improvements (\$200,000)

Issuance Costs (\$50,000)

GCP-4 **NOT TO EXCEED \$985,000**
 GENERAL OBLIGATION BONDS
(General Corporate Purposes – Municipal Buildings, Parks)

Municipal Building Improvements (\$800,000)

- Municipal Building Re-Roofing (\$400,000)
- Police Facility Improvements (\$400,000)

Park Improvements (\$135,000)

- Community Center Improvements (\$135,000)

Issuance Costs (\$50,000)

GCP-5 **NOT TO EXCEED \$1,000,000**
 GENERAL OBLIGATION BONDS
(General Corporate Purposes – Municipal Building Improvements)

Municipal Building Improvements (\$1,000,000)

- ADA Modifications (\$500,000)
- Municipal Building Improvements (\$500,000)

Issuance Costs (\$0)

GCP-6 **NOT TO EXCEED \$830,000**
 GENERAL OBLIGATION BONDS
(General Corporate Purposes – Miscellaneous Improvements)

Miscellaneous Improvements (\$800,000)

- Enhanced Information and Communication Systems (\$800,000)

Issuance Costs (\$30,000)

GCP-7 **NOT TO EXCEED \$995,000**
 GENERAL OBLIGATION BONDS
(General Corporate Purposes – Park Improvements)

Park Improvements (\$995,000)

- Sports Complexes (\$175,000)
- Swimming Pool and Aquatic Imp. (\$670,000)
- Wading Pool Improvements (\$150,000)

Issuance Costs (\$0)

GCP-8 **NOT TO EXCEED \$1,000,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Municipal Building Improvements)

Municipal Building Improvements (\$1,000,000)

- Police Station Step Replacement (\$1,000,000)

Issuance Costs (\$0)

GCP-9 **NOT TO EXCEED \$870,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Library Improvements)

Library Improvements (\$840,000)

- Collection additions and Replacements (\$840,000)

Issuance Costs (\$30,000)

SUMMARY

Hearing	Project(s)	Issuance	Total
ECP-1	\$19,405,000	\$ 250,000	\$ 19,655,000
GCP-2	690,000	30,000	720,000
GCP-3	900,000	50,000	950,000
GCP-4	935,000	50,000	985,000
GCP-5	1,000,000	--	1,000,000
GCP-6	800,000	30,000	830,000
GCP-7	995,000	--	995,000
GCP-8	1,000,000	--	1,000,000
GCP-9	840,000	30,000	870,000
TOTAL	\$ 26,565,000	\$ 440,000	\$ 27,005,000