


## COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	<b>22-314</b>	Meeting:	<b>June 27, 2022</b>
	Agenda Item:	<b>62-74</b>	Roll Call:	<b>22-1063-1088</b>
	Submitted by:	<b>Nickolas Schaul, Finance Director</b>		

### AGENDA HEADING:

Hold public hearing regarding the issuance of Series 2022A and 2022B bonds for the Fiscal Year (FY) 2023 Capital Improvement Budget.

### SYNOPSIS:

Hold 11 public hearings regarding the issuance of General Obligation (GO) bonds and Stormwater Revenue bonds to fund the FY 2023 Capital Improvements Program (CIP). This is the first step in the process to finance the construction of capital projects totaling \$94,270,000 on project costs with a not to exceed issuance of \$98,000,000.

### FISCAL IMPACT:

General Obligation Bonds:

Amount: \$74,010,000 project funds plus interest and to be determined issuance cost; FY 2022-2023 debt service payment is estimated at \$7,703,287.

Funding Source: FY 2023 Operating Budget, Property Tax debt service levy, D001 ND400585.

Stormwater Revenue Bonds:

Amount: \$17,700,000 in project costs and \$8,205,406 in debt reserve funds (\$27,365,406 total) project funds plus interest and to be determined issuance cost; FY 2022-2023 debt service payment is estimated at \$1,498,865.

Funding Source: FY 2023 operating budget, Stormwater Sinking Fund (Debt Service), E310 ND403630.

### ADDITIONAL INFORMATION:

- Finance Department staff worked with the City municipal advisor, PFM and bond counsel, Alhers and Cooney to move forward the sale of bonds by one (1) to two (2) months compared than past issuances due to market uncertainty and rising interest rates.

- The final sizing of the bonds and publication of sale is anticipated no later than July 13, 2022. A special council meeting would be scheduled following the sale for the receipt of bids Wednesday, July 20, 2022.
- After the setting of public hearing on May 23, 2022, for the Stormwater 2022B Series and June 13, 2022 for the 2022A Series, Finance Department staff reviewed each project in detail to ensure the proper amount of bonds were being issued.

## PREVIOUS COUNCIL ACTION(S):

Date: August 9, 2021

Roll Call Number: [21-1242 through 21-1276](#)

Action: [On](#) the issuance not to exceed \$30,000,000 Stormwater Management Utility Revenue Bonds. ([Council Communication No. 21-348](#)) Moved by Gatto to adopt. Motion Carried 7-0.

(A) [Authorization](#) to take additional action. Moved by Gatto to adopt. Motion Carried 7-0.

[On](#) the issuance of not to exceed \$40,000,000 General Obligation Urban Renewal Bonds of the City of Des Moines, State of Iowa (For Essential Corporate Purposes). ([Council Communication No. 21-348](#)) Moved by Gatto to adopt. Motion Carried 7-0.

(A) [Authorization](#) to take additional action. Moved by Gatto to adopt. Motion Carried 7-0.

[On](#) the issuance of not to exceed \$53,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (For Essential Corporate Purposes). ([Council Communication No. 21-348](#)) **Moved by Voss to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Voss to adopt. Motion Carried 7-0.**

[On](#) the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes (GCP-1)). ([Council Communication No. 21-348](#)) **Moved by Boesen to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Boesen to adopt. Motion Carried 7-0.**

[On](#) the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes (GCP-2)). ([Council Communication No. 21-348](#)) **Moved by Voss to adopt. Motion Carried 7-0**

(A) [Authorization](#) to take additional action. **Moved by Voss to adopt. Motion Carried 7-0.**

[On](#) the issuance of not to exceed \$1,000,000 General Obligation Bonds for the City of Des Moines, State of Iowa (For General Corporate Purposes, (GCP-3)). ([Council Communication No. 21-348](#)) **Moved by Gatto to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Gatto to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP-4)). ([Council Communication No. 21-348](#))  
**Moved by Boesen to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Boesen to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Obligation Corporate Purposes, (GCP-5)). ([Council Communication No. 21-348](#))  
**Moved by Voss to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Voss to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP-6)). ([Council Communication No. 21-348](#))  
**Moved by Boesen to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Boesen to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP-7)). ([Council Communication No. 21-348](#))  
**Moved by Gatto to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Gatto to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP-8)). ([Council Communication No. 21-348](#))  
**Moved by Boesen to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Boesen to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP-9)). ([Council Communication No. 21-348](#))  
**Moved by Voss to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Voss to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP10)). ([Council Communication No. 21-348](#))  
**Moved by Boesen to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Boesen to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP-11)). ([Council Communication No. 21-348](#))  
**Moved by Boesen to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Boesen to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of the City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP-12)). ([Council Communication No. 21-348](#)) **Moved by Voss to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Voss to adopt. Motion Carried 7-0.**

On the issuance of not to exceed \$1,000,000 General Obligation Bonds of City of Des Moines, State of Iowa (for General Corporate Purposes, (GCP-13)). ([Council Communication No. 21-348](#)) **Moved by Boesen to adopt. Motion Carried 7-0.**

(A) [Authorization](#) to take additional action. **Moved by Boesen to adopt. Motion Carried 7-0.**

(B) [Directing](#) the advertisement for sale of \$96,845,000 General Obligation Bonds, Series 2021F, and approving Electronic Bidding Procedures and Official Statement (**bonds will be sold at 10:00 a.m. on August 18, 2021 and a Special Meeting will be held at 4:30 p.m.**). **Moved by Boesen to adopt. Motion Carried 7-0.**

(C) [Directing](#) the advertisement for sale of \$5,050,000 Taxable Obligation Bonds, Series 2021G, and approving Electronic Bidding Procedures and Official Statement (**bonds will be sold at 10:00 a.m. on August 18, 2021 and a Special Meeting will be held at 4:30 p.m.**) **Moved by Voss to adopt. Motion Carried 7-0.**

(D) [Directing](#) the advertisement for sale of \$29,085,000 Stormwater Management Utility Revenue Bonds, Series 2021H, and approving Electronic Bidding Procedures and Official Statement (**bonds will be sold at 10:00 a.m. on August 18, 2021 and a Special Meeting will be held at 4:30 p.m.**) **Moved by Boesen to adopt. Motion Carried 7-0.**

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

#### **ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- July 20, 2022 (Special Council Meeting) - Receipt of bids for Series 2022AB Bonds and adopt resolution directing sale.
- August 8, 2022 (Council Meeting) - Adopt resolutions authorizing issuance of 2021FG and Series 2021H Bonds Approval of continuing disclosure certificates and tax exemption certificates.
- August 24, 2022 - Close Series 2022AB and receive funds.

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](mailto:cityclerk@dmgov.org).

**PROJECT CLASSIFICATIONS AND HEARINGS SUMMARY**2022AB – City of Des Moines purposesGCP-1 – NTE \$1M GO Bonds (covering project costs of \$960K)Authority 384.26

Acquisition, construction, reconstruction, enlargement, improvement, and equipping of city facilities, including police and fire buildings.

Police Building Improvements	375,000
Fire Building Improvements	585,000

GCP-2 – NTE \$1M GO Bonds (covering project costs of \$1M)Authority: 384.26

Acquisition, construction, reconstruction, enlargement, improvement, and equipping of city facilities, including various HVAC, electrical, and plumbing improvements city-wide; remodeling and repair of City Hall, police stations, and other city buildings; and security improvements to facilities city-wide.

HVAC, Electrical, and Plumbing Improvements	300,000
Municipal Building Improvements	600,000
Security Improvements	100,000

GCP-3 – NTE \$750,000 GO Bonds (covering project costs of \$650K)Authority: 384.26

Acquisition, construction, reconstruction, enlargement, improvement, and equipping of city facilities, including energy conservation projects focused on completing energy efficiency studies city-wide and purchasing of energy efficient equipment; improvements and repairs to the Armory building; reroofing municipal buildings city-wide; site preparation for the greenhouse; and parking lot construction of the North Side Library.

Municipal Building Reroofing	350,000
Energy Conservation	50,000
Armory Improvements	150,000
Greenhouse Relocation	50,000
North Side Parking Lot	50,000

GCP-4 – NTE \$1M GO Bonds (covering project costs of \$1M)Authority: 384.26

Acquisition, construction, reconstruction, enlargement, improvement, and equipping of city facilities including improvements to the library's existing collections of books, audio materials, videos and electronic media; and building repairs and improvements for the Central Library and its branch locations.

Collection Additions and Replacement	800,000
Miscellaneous Building Improvements	200,000

GCP-5 – NTE \$1M GO Bonds (covering project costs of \$1M)Authority: 384.26

Acquisition, improvement, extension and enhancement of City’s enterprise communications and data management systems, including equipment replacement of city facilities, wireless upgrades, and a transition to ESRI Enterprise system.

IT Equipment, Wireless upgrade, Enterprise System	1,000,000
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GCP-6 – NTE \$1M GO Bonds (covering project costs of \$900K)

Authority: 384.26

Acquisition, improvement, extension and enhancement of City’s enterprise communications and data management systems, including Fiber installation and connectivity to city facilities, and upgrades of network equipment and server equipment; and completing a planning analysis for city administrative facilities.

IT Network and Server Equipment, Fiber	400,000
City Facility and Armory Replacement	500,000

GCP-7 – NTE \$1M GO Bonds (covering project costs of \$900K)

Authority: 384.26

Acquisition, construction, reconstruction, enlargement, improvement, and equipping of city facilities and public improvements, including replacement of trees unavoidably removed on public construction projects; funding for the Emerald Ash Borer Response Plan; and public art.

City Tree Replacement Fund (CTRF)	100,000
Public Art	200,000
Emerald Ash Borer Response Plan	600,000

GCP-8 – NTE \$600,000 GO Bonds (covering project costs of \$550K)

Authority: 384.26

Acquisition, construction, reconstruction, enlargement, improvement, and equipping of recreation grounds, buildings, and centers, including repair and replacement of aquatic centers and swimming pools; repairs and improvements to spraygrounds, wading pools, and splash pools.

Sprayground Improvements	350,000
Swimming Pools and Aquatic Infrastructure	200,000

GCP-9 – NTE \$1M GO Bonds (covering project costs of \$860K)

Authority: 384.26

Planning, design, development, repair and replacement related to the Des Moines multi-use trail system, including ongoing maintenance and improvement to the trail system and renovation of the Neal Smith Trail.

Trails Maintenance and Neal Smith Trail Improvements	860,000
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GCP-10 – NTE \$1M GO Bonds (covering project costs of \$800K)

Authority: 384.26

Planning, design, development, repair and replacement related to the Des Moines multi-use trail system, including to Ashby Park Woodland Garden Nature Trail, SW 1st Street trail Bridge and approaches, MacRae Park, Brook Run ADA Accessible Trail, and Central Place Levee Trail.

Multi-Use Trail Improvements	900,000
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ECP-UR NTE \$27,500,000 GENERAL OBLIGATION URBAN RENEWAL BONDS (\$26.76M Project Costs)

Authority 384.25 and 403.12 Provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects in accordance with Iowa Code chapter 403 and the urban renewal plans for the Ingersoll-Grand Commercial Urban Renewal Area, Metro Center Urban Renewal Area, Merle Hay Commercial Area Urban Renewal Area, and SE Agribusiness Urban Renewal Area, as amended, including the Animal Control Facility project, Central Iowa Water Trails Contributions, and various public improvement projects involving street, streetscape, bridge, sidewalk, skywalk, utility and park improvements, with related site improvements.

Animal Control Facility	2,500,000
Central Iowa Water Trails Contributions	750,000
Merle Hay Corridor Plan	100,000
Ingersoll Streetscape	2,225,000
Downtown 2-Way Conversion - Grand & Locust	500,000
Walnut St Bridge over the Des Moines River	3,000,000
Principal Park	4,240,000
Park Improvements	835,000
Public Works - Asphalt Road Improvements	375,000
Market District Infrastructure Improvements	8,175,000
5th Ave One-Way to Two-Way	1,000,000
SW 11th St & Tuttle St Traffic Improvements	500,000
SW 14th Street and MLK Traffic Improvements	500,000
SW 16th Street and MLK Traffic Improvements	50,000
Tuttle Street Improvements	450,000
2nd Ave Improvements - Court Ave to I-235	60,000
MLK Pavement Replacement	1,250,000
Skywalk System	250,000

ECP – NTE \$39.5M GO Bonds (covering project costs of \$38.53M)

Authority: 384.25

Acquisition, construction, reconstruction, enlargement, improvement, and repair of bridges, culverts, retaining walls, viaducts, underpasses, grade crossing separations, and approaches thereto; rehabilitation and improvement of parks already owned, including the removal, replacement and planting of trees in the parks, and facilities, equipment, and improvements commonly found in city parks; equipping of fire, sanitation, and street departments; acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of cemetery facilities; acquisition, construction, reconstruction, and improvement of all waterways, and real and personal property, useful for the protection or reclamation of property situated within the corporate limits of cities from floods or high waters, and for the protection of property in cities from the effects of flood waters, including the deepening, widening, alteration, change, diversion, or other improvement of watercourses, within or

without the city limits, the construction of levees, embankments, structures, impounding reservoirs, or conduits, and the establishment, improvement, and widening of streets, avenues, boulevards, and alleys across and adjacent to the project, as well as the development and beautification of the banks and other areas adjacent to flood control improvements; opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys, public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; construction, reconstruction, and repairing of any street improvements; acquisition, installation, and repair of traffic control devices; acquisition, construction, improvement, and installation of street lighting fixtures, connections, and facilities; construction, reconstruction, and repair of sidewalks and pedestrian underpasses and overpasses; and the acquisition of real estate needed for any of the foregoing purposes; acquisition, restoration, or demolition of abandoned, dilapidated, or dangerous buildings, structures or properties or the abatement of a nuisance.

2nd Ave Bridge over the Des Moines River	3,000,000	ECP
41st Street & Beaver Avenue	50,000	ECP
Active Transportation	375,000	ECP
Birdland Park and Marina	500,000	ECP
Birdland Sports Complex Improvements	50,000	ECP
Cemetery Infrastructure and Improvements	1,135,000	ECP
E Army Post Road & SE 36th St Intersection Improv.	100,000	ECP
East 30th Street and University Avenue	500,000	ECP
Easter Lake Drive Sidewalk	500,000	ECP
Easton Blvd - University Ave - Four Mile Creek	700,000	ECP
Euclid Roadway Reconfiguration 12th St to 2nd Ave	125,000	ECP
Fire Equipment Acquisition	1,350,000	ECP
Fleur Drive Medians	400,000	ECP
Franklin Ave - Beaver Ave to Merle Hay Road	1,000,000	ECP
Gray's Lake Park Improvements	975,000	ECP
Indianola Ave Improve - E Army Post Rd to Hwy 69	1,500,000	ECP
LED Street Lighting Upgrades	150,000	ECP
McKinley Ave Improvements	3,300,000	ECP
Midblock Pedestrian Signal Upgrades	500,000	ECP
Park Building Improvements	780,000	ECP
Park Improvements	2,155,000	ECP
Park Infrastructure	1,000,000	ECP
Park Playground Improvements	285,000	ECP
PCC Pavement Replacement Program	225,000	ECP
Public Works - Asphalt Road Improvements	750,000	ECP
Public Works - Concrete Street and Curb Rehab	1,400,000	ECP
Railroad Crossing Surface Repairs & Signal Improv.	100,000	ECP
Roadway Reconstruction - Fleur Drive	1,000,000	ECP
Roadway Rehabilitation - Residential	1,500,000	ECP
Sidewalk Replacement	700,000	ECP
Sidewalks - School and Priority Routes	2,000,000	ECP



Sixth Ave Streetscape	1,000,000	ECP
Southeast Connector - SE 30th St to US 65	4,000,000	ECP
SW Infrastructure & Planning	425,000	ECP
Traffic & Pedestrian Signals - New	250,000	ECP
Traffic Signals - Replacement	1,100,000	ECP
Traffic Studies & Improvements	250,000	ECP
Traffic System Operation Improvements	1,200,000	ECP
University Ave - 48th Street to 31st Street	1,500,000	ECP
Urban Conservation Projects	100,000	ECP
Vacant Residential Property Redevelopment	100,000	ECP
Watershed Park Amenities	500,000	ECP

Stormwater Revenue Bond Issuance (2022B) – NTE \$22 million

384.84A

Acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Stormwater Management Utility, including city-wide stormwater utility improvement projects, Closes Creek watershed improvements, flood mitigation and protection system improvements, and Hamilton Drainage area improvements.

City-Wide Storm Water Utility Projects	2,500,000
Closes Creek Watershed Improvements	4,000,000
Flood Mitigation Improvements	6,700,000
Hamilton Drainage Area Improvements	4,500,000