CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Issuance of $22,490,000 General Obligation Urban Renewal Bonds (Series 2015A) – Receive and File Report of Bids and Award Sale

DATE: March 9, 2015

FINANCIAL IMPACT: Ultimate debt service amounts (principal and interest) are undetermined, pending interest rate bids received the morning of Monday, March 9, 2015. Interest is estimated to range from 1.02% to 2.92% with an approximate overall interest rate of 2.70%, with final maturity scheduled for June 1, 2029 (14 year bonds). Interest payments begin December 1, 2015 and continue semiannually thereafter. Interest will be computed on the basis of a 360-day year of twelve 30-day months. Bonds due after June 1, 2023, will be subject to call for prior redemption on said date or on any day thereafter upon terms of par plus accrued interest to date of call.

BACKGROUND: This action allows the sale of $22,490,000 of General Obligation Urban Renewal Bonds (2015A) to defray the cost of several projects associated with Microsoft's Project Alluvion site. Staff has factored the cost of the proposed issuance compared to the total amount of funds available from the Alluvion Urban Renewal Area in order to maintain positive cash flow throughout the life of the bond issuance and the urban renewal area.

Council has previously conducted a public hearing related to this issuance on February 23, 2015, to institute proceedings, and no public comments were received.

Competitive bids for Bond Series 2015A, 2015B, and 2015C will be received the morning of Monday, March 9, 2015. Either staff or a representative of the City's financial advisory firm (Public Financial Management) will be present to report results to the Council as part of this agenda item.

OUTSTANDING ISSUES: Pending approval of the recommendation, further actions will be requested at the next Council meeting in order to finalize the sale. Actions will include resolutions to authorize the issuance and appoint the Registrar and Paying Agent, as well as motions to approve the Tax Exemption and Continuing Disclosure Certificates.

RECOMMENDATION: Adopt motion receiving report of bids and adopt resolution directing (awarding) sale of $22,490,000 General Obligation Bonds (Series 2015A) to the successful bidder.

Lead Staff Member: Tim Stiles, Finance Director

STAFF REVIEWS

Department Director	
Appropriations/Finance	
Legal	
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	
Dates(s) Published	

SUBCOMMITTEE REVIEW (if applicable)

Committee			
Date Reviewed			
Recommendation	Yes	No	Split

S:\Pinkies\Award Sale 2015A.docx

CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Issuance of $22,490,000 General Obligation Urban Renewal Bonds (Series 2015A) – Receive and File Report of Bids and Award Sale

DATE: March 9, 2015

FINANCIAL IMPACT: Ultimate debt service amounts (principal and interest) are undetermined, pending interest rate bids received the morning of Monday, March 9, 2015. Interest is estimated to range from 1.02% to 2.92% with an approximate overall interest rate of 2.70%, with final maturity scheduled for June 1, 2029 (14 year bonds). Interest payments begin December 1, 2015 and continue semiannually thereafter. Interest will be computed on the basis of a 360-day year of twelve 30-day months. Bonds due after June 1, 2023, will be subject to call for prior redemption on said date or on any day thereafter upon terms of par plus accrued interest to date of call.

BACKGROUND: This action allows the sale of $22,490,000 of General Obligation Urban Renewal Bonds (2015A) to defray the cost of several projects associated with Microsoft's Project Alluvion site. Staff has factored the cost of the proposed issuance compared to the total amount of funds available from the Alluvion Urban Renewal Area in order to maintain positive cash flow throughout the life of the bond issuance and the urban renewal area.

Council has previously conducted a public hearing related to this issuance on February 23, 2015, to institute proceedings, and no public comments were received.

Competitive bids for Bond Series 2015A, 2015B, and 2015C will be received the morning of Monday, March 9, 2015. Either staff or a representative of the City's financial advisory firm (Public Financial Management) will be present to report results to the Council as part of this agenda item.

OUTSTANDING ISSUES: Pending approval of the recommendation, further actions will be requested at the next Council meeting in order to finalize the sale. Actions will include resolutions to authorize the issuance and appoint the Registrar and Paying Agent, as well as motions to approve the Tax Exemption and Continuing Disclosure Certificates.

RECOMMENDATION: Adopt motion receiving report of bids and adopt resolution directing (awarding) sale of $22,490,000 General Obligation Bonds (Series 2015A) to the successful bidder.

Lead Staff Member: Tim Stiles, Finance Director

STAFF REVIEWS

Department Director	
Appropriations/Finance	
Legal	
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	
Dates(s) Published	

SUBCOMMITTEE REVIEW (if applicable)

Committee			
Date Reviewed			
Recommendation	Yes	No	Split

S:\Pinkies\Award Sale 2015A.docx

March 9, 2015

The Finance Director of the City of West Des Moines, State of Iowa, met at City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa, at 10:00 A.M., on the above date, to open sealed bids received, access electronic bids and to refer the sale of the Bonds to the best and most favorable bidder for cash, subject to approval by the City Council at 5:30 P.M. on the above date.

The following persons were present:

_____

_____

_____

* * * * * * * *

This being the time and place for the opening of bids for the sale of $22,490,000 (Subject to Adjustment per Terms of Offering) General Obligation Urban Renewal Bonds, Series 2015A, the meeting was opened for the receipt of bids for the Bonds. The following actions were taken:

1. Sealed bids were filed and listed in the minutes while unopened, as follows:

Name & Address of Bidders:

(Attach List of Bidders)

2. The Finance Director then declared the time for filing of sealed bids to be closed and that the sealed bids be opened. The sealed bids were opened and announced.

3. Electronic bids received were accessed and announced as follows:

Name & Address of Bidders:

(Attach List of Bidders)

4. The best bid was determined to be as follows:

Name & Address of Bidder: _____

True Interest Rate (as-bid): _____%

Net Interest Cost (as-bid): $_____

In consultation with PFM, the City considered the adjustment of the aggregate principal amount of the Bonds and each scheduled maturity thereof in accordance with the Terms of Offering and the following actions were taken:

Final Par Amount as adjusted: $_____

Purchase Price as adjusted: $_____

All bids were then referred to the Council for action.

March 9, 2015

The City Council of the City of West Des Moines, State of Iowa, met in regular session, in the Council Chambers, City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa, at 5:30 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

_____

_____

Absent: _____

* * * * * * *

Council Member _____ introduced the following Resolution entitled "RESOLUTION DIRECTING SALE OF $22,490,000 (SUBJECT TO ADJUSTMENT PER TERMS OF OFFERING) GENERAL OBLIGATION URBAN RENEWAL BONDS, SERIES 2015A," and moved its adoption. Council Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the following Resolution duly adopted:

RESOLUTION DIRECTING SALE OF $22,490,000 (SUBJECT TO ADJUSTMENT PER TERMS OF OFFERING) GENERAL OBLIGATION URBAN RENEWAL BONDS, SERIES 2015A

WHEREAS, bids have been received for the Bonds described as follows and the best bid received (with permitted adjustments, if any) is determined to be the following:

$22,490,000 (SUBJECT TO ADJUSTMENT PER TERMS OF OFFERING) GENERAL OBLIGATION URBAN RENEWAL BONDS, SERIES 2015A

Bidder: _____ of _____

The terms of award:

Final Par Amount as adjusted: $_____

Purchase Price as adjusted: $ _____

True Interest Rate: _____%

Net Interest Cost: $_____

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST DES MOINES, STATE OF IOWA:

Section 1. That the bid for the Bonds as above set out is hereby determined to be the best and most favorable bid received and, the Bonds are hereby awarded as described above.

Section 2. That the statement of information for Bond bidders and the form of contract for the sale of the Bonds are hereby approved and the Mayor and Clerk are authorized to execute the same on behalf of the City.

Section 3. That the notice of the sale of the Bonds heretofore given and all acts of the Clerk done in furtherance of the sale of the Bonds are hereby ratified and approved.

PASSED AND APPROVED this 9th day of March, 2015.

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATE

STATE OF IOWA)
) SS
COUNTIES OF POLK)

I, the undersigned City Clerk of the City of West Des Moines, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the corporate records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of public hearing and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council (a copy of the face sheet of the agenda being attached hereto) pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective city offices as indicated therein, that no vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this _____ day of _____, 2015.

_____
City Clerk, City of West Des Moines, State of Iowa

(SEAL)

01087490-1\11333-259