CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Establishing Date of Public Hearings for the issuance of not to exceed $9,800,000 Essential Corporate Purpose (ECP) and General Corporate Purpose (GCP) General Obligation Bonds

DATE: February 8, 2016

FINANCIAL IMPACT: Final debt service amounts (principal and interest) not known, pending sale date and interest rate charged; projected costs are already included in the fiscal year 2015-16 budget. Staff estimates that actual amount of borrowing under these issuances, based on the underlying projects, is approximately $9,100,000.

BACKGROUND: Two public hearings scheduled for February 22, 2016, will allow the sale of not to exceed $9.8 million General Obligation Bonds to partially defray the costs of constructing a number of CIP projects included in prior, current, and future fiscal year budgets. The borrowing is separated into two series in order to comply with rules associated with GCP bonds, which do not permit an issuance of greater than $700,000.

It is expected that these bonds will close prior to June 30, 2016, so staff has factored the cost of this proposed issuance into the FY 2015-16 Capital and Operating Budgets. Staff will also factor these funds into the total amount of funds available for the CIP program – it is expected that a majority of the proceeds will be expended in FY 2016-17. Following the issuance, the City's debt service levy will drop to the newly-established goal of $1.95 per $1,000 of taxable valuation. Analysis of future borrowing needs has been projected by the City's Financial Advisory Firm, Public Financial Management with the assumption that in the future the typical borrowing limit will be approximately $8.5 million, an increase in the ceilings of previous years, which was closer to $7.5 million.

The recommended action will establish authorization for the City to receive bids on the sale of the bonds any time after the certification of the FY 2016-17 budgets.

OUTSTANDING ISSUES (if any): None

RECOMMENDATION: Adoption of Resolution instituting proceedings to take additional action on the issuance of not to exceed $9,800,000 Essential Corporate Purpose General Obligation Bonds, including establishing the date of public hearing.

Lead Staff Member: Tim Stiles, Finance Director

STAFF REVIEWS

Department Director	
Appropriations/Finance	
Legal	
Agenda Acceptance	RTJ

PUBLICATION(S) (if applicable)

Published In	
Dates(s) Published	

SUBCOMMITTEE REVIEW (if applicable)

Committee	Finance & Administration		
Date Reviewed	Will be February 17, 2016		
Recommendation	Yes	No	Split

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Council Member _____ introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE PROPOSITION OF THE ISSUANCE OF NOT TO EXCEED $9,100,000 GENERAL OBLIGATION BONDS OF THE CITY OF WEST DES MOINES, STATE OF IOWA (FOR ESSENTIAL CORPORATE PURPOSES), AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Council Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the resolution duly adopted as follows:

RESOLUTION FIXING DATE FOR A MEETING ON THE PROPOSITION OF THE ISSUANCE OF NOT TO EXCEED $9,100,000 GENERAL OBLIGATION BONDS OF THE CITY OF WEST DES MOINES, STATE OF IOWA (FOR ESSENTIAL CORPORATE PURPOSES), AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF

WHEREAS, it is deemed necessary and advisable that the City of West Des Moines, State of Iowa, should issue General Obligation Bonds, to the amount of not to exceed $9,100,000, as authorized by Section 384.25, of the Code of Iowa, for the purpose of providing funds to pay costs of carrying out essential corporate purpose project(s) as hereinafter described; and

WHEREAS, before the Bonds may be issued, it is necessary to comply with the provisions of the Code, and to publish a notice of the proposal to issue such bonds and of the time and place of the meeting at which the Council proposes to take action for the issuance of the Bonds and to receive oral and/or written objections from any resident or property owner of the City to such action.

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

Section 1. That this Council meet in the Council Chambers, City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa, at 5:30 P.M., on the 22nd day of February, 2016, for the purpose of taking action on the matter of the issuance of not to exceed $9,100,000 General Obligation Bonds, for essential corporate purposes, the proceeds of which bonds will be used to provide funds to pay the costs of opening, widening, extending, grading and construction,

reconstruction, repairing of street and bridge improvements, with related utility work; construction, reconstruction and repair of sidewalk and trail improvements; rehabilitation and improvement of parks already owned, including facilities, equipment and improvements commonly found in city parks; equipping the police department, and acquisition of peace officer communication equipment or other emergency services communication equipment and systems.

Section 2. To the extent any of the projects or activities described in this resolution may be reasonably construed to be included in more than one classification under Division III of Chapter 384 of the Code of Iowa, the Council hereby elects the "essential corporate purpose" classification and procedure with respect to each such project or activity, pursuant to Section 384.28 of the Code of Iowa.

Section 3. That the Clerk is hereby directed to cause at least one publication to be made of a notice of the meeting, in a legal newspaper, printed wholly in the English language, published at least once weekly, and having general circulation in the City. The publication to be not less than four clear days nor more than twenty days before the date of the public meeting on the issuance of the Bonds.

Section 4. The notice of the proposed action to issue bonds shall be in substantially the following form:

(To be published on or before: February 11, 2016)

NOTICE OF MEETING OF THE CITY COUNCIL OF THE CITY OF WEST DES MOINES, STATE OF IOWA, ON THE MATTER OF THE PROPOSED ISSUANCE OF NOT TO EXCEED $9,100,000 GENERAL OBLIGATION BONDS OF THE CITY (FOR ESSENTIAL CORPORATE PURPOSES), AND THE HEARING ON THE ISSUANCE THEREOF

PUBLIC NOTICE is hereby given that the City Council of the City of West Des Moines, State of Iowa, will hold a public hearing on the 22nd day of February, 2016, at 5:30 P.M., in the Council Chambers, City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa, at which meeting the Council proposes to take additional action for the issuance of not to exceed $9,100,000 General Obligation Bonds, for essential corporate purposes, to provide funds to pay the costs of opening, widening, extending, grading and construction, reconstruction, repairing of street and bridge improvements, with related utility work; construction, reconstruction and repair of sidewalk and trail improvements; rehabilitation and improvement of parks already owned, including facilities, equipment and improvements commonly found in city parks; equipping the police department, and acquisition of peace officer communication equipment or other emergency services communication equipment and systems.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of the City to the above action. After all objections have been received and considered, the Council will at the meeting or at any adjournment thereof, take additional action for the issuance of the Bonds or will abandon the proposal to issue said Bonds.

This notice is given by order of the City Council of the City of West Des Moines, State of Iowa, as provided by Section 384.25 of the Code of Iowa.

Dated this _____ day of _____, 2016.

_____

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

(End of Notice)

PASSED AND APPROVED this 8th day of February, 2016.

_____
Mayor

ATTEST:

_____
City Clerk

Council Member _____ introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE PROPOSITION OF THE ISSUANCE OF NOT TO EXCEED $700,000 GENERAL OBLIGATION BONDS OF THE CITY OF WEST DES MOINES, STATE OF IOWA (FOR GENERAL CORPORATE PURPOSES), AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Council Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the resolution duly adopted as follows:

RESOLUTION FIXING DATE FOR A MEETING ON THE PROPOSITION OF THE ISSUANCE OF NOT TO EXCEED $700,000 GENERAL OBLIGATION BONDS OF THE CITY OF WEST DES MOINES, STATE OF IOWA (FOR GENERAL CORPORATE PURPOSES), AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF

WHEREAS, it is deemed necessary and advisable that the City of West Des Moines, State of Iowa, should issue General Obligation Bonds, to the amount of not to exceed $700,000, as authorized by Section 384.26, of the Code of Iowa, for the purpose of providing funds to pay costs of carrying out general corporate purpose project(s) as hereinafter described; and

WHEREAS, the Issuer has a population of more than 5,000 but not more than 75,000, and the Bonds for these purposes do not exceed $700,000; and

WHEREAS, before the Bonds may be issued, it is necessary to comply with the provisions of Chapter 384 of the Code of Iowa, and to publish a notice of the proposal to issue such Bonds and the right to petition for an election.

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

Section 1. That this Council meet in the Council Chambers, City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa, at 5:30 P.M., on the 22nd day of February, 2016, for the purpose of taking action on the matter of the issuance of not to exceed $700,000 General Obligation Bonds, for general corporate purposes, the proceeds of which bonds will be used to provide funds to pay the costs of parking lot repairs at various city facilities; aquatic center

playground equipment improvements; and recreational trail signage and shall bear interest at a rate not exceeding the maximum specified in the attached notice.

Section 2. That the Clerk is hereby directed to cause at least one publication to be made of a notice of the meeting, in a legal newspaper, printed wholly in the English language, published at least once weekly, and having general circulation in the City. The publication to be not less than ten clear days nor more than twenty days before the date of the public meeting on the issuance of the Bonds.

Section 3. The notice of the proposed action to issue bonds shall be in substantially the following form:

(To be published on or before: February 11, 2016)

NOTICE OF MEETING OF THE CITY COUNCIL OF THE CITY OF WEST DES MOINES, STATE OF IOWA, ON THE MATTER OF THE PROPOSED ISSUANCE OF NOT TO EXCEED $700,000 GENERAL OBLIGATION BONDS OF THE CITY (FOR GENERAL CORPORATE PURPOSES), AND THE HEARING ON THE ISSUANCE THEREOF

PUBLIC NOTICE is hereby given that the City Council of the City of West Des Moines, State of Iowa, will hold a public hearing on the 22nd day of February, 2016, at 5:30 P.M., in the Council Chambers, City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa, at which meeting the Council proposes to take additional action for the issuance of not to exceed $700,000 General Obligation Bonds, for general corporate purposes, bearing interest at a rate of not to exceed nine (9) per centum per annum, the Bonds to be issued to provide funds to pay the costs of parking lot repairs at various city facilities; aquatic center playground equipment improvements; and recreational trail signage.

At any time before the date of the meeting, a petition, asking that the question of issuing such Bonds be submitted to the legal voters of the City, may be filed with the Clerk of the City, including the drop box at City Hall during non-business hours, in the manner provided by Section 362.4 of the Code of Iowa, pursuant to the provisions of Section 384.26 of the Code of Iowa.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of the City to the above action. After all objections have been received and considered, the Council will at the meeting or at any adjournment thereof, take additional action for the issuance of the Bonds or will abandon the proposal to issue said Bonds.

This notice is given by order of the City Council of the City of West Des Moines, State of Iowa, as provided by Section 384.26 of the Code of Iowa.

Dated this _____ day of _____, 2016.

_____

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

(End of Notice)

PASSED AND APPROVED this 8th day of February, 2016.

_____
Mayor

ATTEST:

_____
City Clerk