CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Resolution – Approving Senior Bond Issuance Certificate for $83,600,000 Des Moines Metropolitan Wastewater Reclamation Authority (WRA) Senior Bonds

DATE: August 15, 2022

FINANCIAL IMPACT: No direct impact to the City

BACKGROUND: The City of West Des Moines is a member of the Des Moines Metropolitan Wastewater Reclamation Authority (WRA) and carries certain responsibilities within that underlying membership agreement.

At this time the WRA has identified capital projects anticipated to be funded in calendar years 2022, 2023 and 2024. To finance these projects, it requires that participating communities approve the attached Senior Bond Issuance Certificate, which will be issued in conjunction with anticipated additional senior bonds of the WRA in the amount of $83,600,000.

There is no change to the previously planned WRA projects; they were included in the WRA's Capital Improvement Budgets, but this action assists the WRA in moving its debt from "future" to "pending" as it relates to the next phase of projects. The requirement for the WDM Council to approve a resolution authorizing staff to sign the certificate is new this year.

Staff has determined that the City has adequate cash reserves in the Sewer Fund to comply with the requirements of the Certificate.

RECOMMENDATION: Council approves the attached Senior Bond Issuance Certificate of WRA Participating Community for the anticipated additional senior bonds of the WRA and authorizes the Finance Director to execute and return the Certificate to the WRA.

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			
Dates Reviewed			
Recommendation	Yes	No	Split

RESOLUTION NO. _____

A RESOLUTION APPROVING SENIOR BOND ISSUANCE CERTIFICATE OF DES MOINES METROPOLITAN WASTEWATER RECLAMATION AUTHORITY PARTICIPATING COMMUNITY

WHEREAS, the City of West Des Moines is a member of the Des Moines Metropolitan Wastewater Reclamation Authority (WRA) and is in compliance with the provisions of the WRA Agreement; and

WHEREAS, the WRA has identified projects that are anticipated to be issued in calendar years 2022, 2023 and 2024; and

WHEREAS, the WRA requires the assistance of participating communities to approve the attached Senior Bond Issuance Certificate for the anticipated additional senior bonds of the WRA in the amount of $83,600,000; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of West Des Moines, Iowa, that it hereby approves the attached Senior Bond Issuance Certificate of WRA Participating Community for the anticipated additional senior bonds of the WRA in the amount of $83,600,000 and authorizes the Finance Director to execute and return the Certificate to the WRA.

PASSED AND APPROVED this 15th day of August 2022.

_____
Russ Trimble, Mayor

Attest:

_____
Ryan Jacobson, City Clerk

SENIOR BOND ISSUANCE CERTIFICATE
OF WRA PARTICIPATING COMMUNITY

Name of Participating Community: West Des Moines

Anticipated Amount of Additional Senior Bonds: $ 83,600,000

Estimated Date of Issuance: $47,600,000 after August 1st in calendar 2022;
Remaining amounts will in calendar 2023 or 2024

This Senior Bond Issuance Certificate is being executed by the undersigned financial officer of the Participating Community indicated above (the "Participating Community") pursuant to Section 8.3 of Resolution No. 04-070 approved on October 28, 2004 (the "Master Resolution") by the Board of the Des Moines Metropolitan Wastewater Reclamation Authority ("WRA"), and supplementing Section 2 of Article XIII of the Second Amended and Restated Agreement for the WRA, filed with the Secretary of State on June 11, 2014 (the WRA Agreement). All capitalized terms used in this Certificate which are not otherwise defined herein shall have the meanings given to them in the Master Resolution.

Attached hereto are the following:

1. A draft resolution for your governing body,
2. WRA Certificate Projections, 2022 Certificates,
3. WRA Debt Service Allocation, August 2022: PFM's proposed allocation of Debt Service to the Participating Community for the Additional Senior Bonds (subject to change based on actual timing of issuance by WRA), receipt of which is acknowledged by execution of this Certificate.

The Participating Community hereby consents to and certifies, in connection with the anticipated issuance of the above-referenced Senior Bonds, that it is currently in compliance with the provisions of the WRA Agreement requiring the establishment of rates and charges or appropriation of other funds sufficient in amount as will produce at least 110% of the amount necessary to pay the Participating Community's share of the principal and interest coming due on all Outstanding Bonds and all outstanding Local Obligations during the fiscal year 2023, and acknowledges it has factored its estimated allocations from future WRA issuances of Additional Senior Bonds into rate and coverage planning to ensure maintenance of said coverage in future fiscal years.

Attach to this Certificate for return the following:

1. A copy of the resolution passed by your governing body approving the Senior Bond Issuance Certificate of WRA Participating Community,
2. Schedule of principal and interest requirements of all outstanding Local Obligations of the Participating Community,
3. Details of other funds appropriated to meet the coverage requirements.

Approved by the Governing Body of the Participating Community on the ___ day of _____, 2022.

Dated this ____ day of August 2022.

By: _____

Print Name: _____

Title: _____

WRA Certificate Projections
2022 Certificates

	August Certificate for Additional Senior Bonds			
		No Impact to Debt Service		
	PROJECT	SPONSORED	P&D	TOTAL
Anticipated in 2022				
Ingersoll Run - Segments 1 & 3	26,400,000	0	0	26,400,000
WRA Sewer Lining - Loan 2	11,000,000	0	0	11,000,000
ESI P27 Loan #1 (2016F)	0	1,800,000	0	1,800,000
So Tier West Interceptor Ph 10 S24	3,600,000	0	0	3,600,000
	41,000,000			42,800,000
Anticipated Planning Design Loans				
WRA Joint Trunk (East & West)	0	0	1,000,000	1,000,000
So Tier Interceptor P10 S4	0	0	300,000	300,000
East side Wet Weather	0	0	1,800,000	1,800,000
Aeration Improvements	0	0	400,000	400,000
So Tier P10 S6	0	0	300,000	300,000
Building 05 Rehabilitation	0	0	500,000	500,000
Disinfection	0	0	500,000	500,000
				4,800,000
Anticipated in 2023/24				
Clarifier Improvements - Ph 2	19,000,000	0	0	19,000,000
Bid Contingency	12,000,000	0	0	12,000,000
ESI P27 Loan #2 (2017A)	0	1,500,000	0	1,500,000
Clarifier Improvements - Ph 1 (2020B)	0	1,120,000	0	1,120,000
Ingersoll Run - Segments 1 & 3	0	2,380,000	0	2,380,000
	31,000,000			36,000,000
CERTIFICATE TOTAL	**72,000,000**	**6,800,000**	**4,800,000**	**83,600,000**

	PROJECT
Participating Community	
Altoona	2,950,452
Ankeny	7,669,620
Bondurant	833,796
Clive	2,319,372
Cumming	38,232
Des Moines	32,202,720
GPHOC	440,496
Grimes	1,965,204
Johnston	2,020,536
Norwalk	1,708,956
Pleasant Hill	1,330,380
Polk City	471,240
Polk County	759,924
USSD	5,250,060
Urb/Whts SD	1,235,988
Waukee	1,991,988
West Des Moines	8,811,036
New Par for August 2022	**72,000,000**