



Agenda Item:

27B

COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 09/27/04
04-473

Communication No.:

Agenda Item Type: Resolution
No.:

Roll Call

Submitted by: Merrill R. Stanley, Finance Director

SUBJECT—

Setting the date for public hearing on October 11, 2004 for the issuance of Sewer Revenue Capital Loan Notes (State of Iowa Revolving Fund Loan) to finance sanitary sewer improvements.

SYNOPSIS—

Setting the date for public hearing on October 11, 2004 for the issuance of Sewer Revenue Capital Loan Notes (State of Iowa Revolving Fund Loan) in an aggregate amount not to exceed \$5,965,000. This will begin the process of financing city sewer improvements scheduled to begin in FY04.

FISCAL IMPACT—

The City pledges that annual debt service will be paid from revenues of the City's Sanitary Sewer Fund. This is a revenue pledge—not a general obligation pledge. Hence, the debt does not count toward the City's constitutional debt limit. The Iowa Finance Authority is currently offering interest rates at a maximum of 3%.

RECOMMENDATION—

Approval

BACKGROUND—

This action will set the date of public hearing for October 11, 2004 to begin the process of financing city sanitary sewer improvements to be funded with State Revolving Fund (SRF)

loans. A companion Roll Call will address the issuance of new money Sewer Revenue Bonds. A third Roll Call will address the refunding of Sewer Revenue Bonds 2002C and SRF Loan 5.

The public hearing is scheduled for October 11, 2004 to provide the required public input prior to issuance. The timing of this bond issue will be scheduled around the issuance of WRA financings.