



Agenda Item:

63

## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 11/8/04

Communication

No.: 04-562

Agenda Item Type: Resolution

Roll Call

No.:

Submitted by: Merrill R. Stanley, Finance Director

### SUBJECT—

Award the sale of Sewer Revenue Bonds, Series 2004G.

### SYNOPSIS—

Award the sale of Sewer Revenue Bonds, Series 2004G in an aggregate amount of \$5,160,000.

### 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 bond issue—not a general obligation bond issue. Hence, the debt does not count toward the City's constitutional debt limit.

### RECOMMENDATION—

Approval

### BACKGROUND—

A public hearing was held October 11, 2004, which began the process of financing city sanitary sewer improvements, specifically, the Southeast Ridge Trunk Sanitary Sewer. A Preliminary Official Statement announcing the sale and soliciting bidders was issued on November 1, 2004. Bids will be received November 8, 2004, at 10:00AM, with Council approval of the low bidder later that day, at the regular City Council meeting. Information regarding bids received will be provided prior to the Council meeting. The bonds have maintained the City's sewer revenue ratings of Aa3 from Moody's and AA from Standard & Poors.

A companion roll call on the October 25, 2004 agenda will award the sale of Sewer Revenue Refunding Bonds, Series 2004H, to refinance Sewer Revenue Bonds 2002C and the Sewer Revenue of 1995A (State Revolving Fund – Loan 5). Additional action will be taken approve the issuance of Sewer Revenue Capital Loan Notes, Series 2004I (SRF 8) to fund FY04 projects totaling \$5,965,000.