



REQUEST FOR COUNCIL ACTION

MEETING DATE: May 16, 2022

PREPARED BY: Greg Sticha, Finance Director GS

AGENDA ITEM: Call for Sale of bond issuance for the 2022 Street Rehabilitation Projects, Resolution No. 22-091

PREVIOUS ACTIONS:

Council, at their February 7, 2022 meeting, adopted Resolutions 22-034, 22-035 and 22-036 establishing Street Rehabilitation Projects 22-01, 22-02 and 22-03, ordering feasibility reports, receiving feasibility reports, establishing hearing, declaring costs to be assessed, ordering preparation of assessment roll and ordering special assessment hearing.

Council, at their March 21, 2022 meeting, adopted Resolution 21-063 ordering the projects, adopting the special assessment against benefited lands, ordering plans, approving plans and authorizing advertisement for bids for the following projects:

Townhouse Villages at Eagle Lake Street Rehabilitation Project No. 22-01; and
Deerwood Homes and Eagle Lake Area Street Rehabilitation Project No. 22-02

RECOMMENDED COUNCIL ACTION:

Motion to adopt Resolution No. 22-091 calling for the sale of road reconstruction bonds in the par amount of \$15,390,000.

COMMENTS:

The City has ordered projects, received bids and awarded contracts for the construction of the 2022 street rehabilitation projects. The City will be issuing bonds to finance the current road reconstruction projects. Since current interest rates have been rising significantly staff and the city's financial advisor believe the city should issue earlier than previous years to avoid higher interest rates on the bonds. Revenue from special assessments and the City's Road Reconstruction Fund will be used for the annual debt service. The attached resolution also includes authorization of transfers for a portion of the costs to be paid with current cash reserves as noted in attachment B (not including MSA funds which will be receipted later from the State).

ATTACHMENTS:

Attachment A: Resolution No. 22-091

Attachment B: Estimated cost of projects and funding sources

Attachment C: Pre-Sale Report