

Council Agenda Summary

February 15, 2022

Agenda Item Number

Key Staff Contact:

John Karner, Finance Director

Paul Trombino, Public Works Director

Title:

A Resolution concerning the proposed city of Greeley, Colorado, first-lien Stormwater System Improvement Revenue Bonds, Series 2022; authorizing the receipt of competitive bids for the Series 2022 Bonds, including the use of an electronic bidding system therefor; and prescribing certain details concerning such public sale of the Series 2022 Bonds.

Summary:

The Resolution for City Council consideration is necessary to authorize and approve the issuance of Stormwater Revenue Bonds, Series 2022, in an aggregate principal amount not to exceed \$17,500,000, bearing interest at the rates and maturing on the dates in the amounts to be set forth in the final terms certificate, and on the terms and conditions provided in the bond ordinance. The issuance will allow the defrayment in whole or in part, of the cost of additions and improvements to the System. The net proceeds of the Series 2022 Bonds are for future costs associated with the construction of various improvements and additions to the Stormwater System for the purpose of increasing the System's capacity to safely dispose of storm and flood waters, replacing older components of the System and improving the reliability of the System. These projects will need to be partially funded through bond revenues.

The Resolution states that the City authorizes and approves the issuance of the Series 2022 Stormwater Revenue bonds, recognizing that the issuance of these bonds will impact the Stormwater Fund's debt service payments and the rates required to support those payments. The Public Works Department, in partnership with the Finance Department and the City's Financial Advisor, has reviewed and approved the debt service requirements of the proposed bond issuance in alignment with the rate structure approved by City Council. The proposed issuance of these bonds also maintains an appropriate bonding capacity of the Stormwater Enterprise fund for future bond issuances in accordance with the approved Stormwater Capital Improvement Plan. The Stormwater Board approved the rates and charges to support the proposed bond issuance at their August 2021 meeting.

Fiscal Impact:

Does this item create a fiscal impact on the City of Greeley?	Yes
If yes, what is the initial, or, onetime impact?	Bond Issuance of \$17.5 Million
What is the annual impact?	Debt Service Estimate \$0.9-1.6 Million
What fund of the City will provide Funding?	Stormwater Construction, Stormwater Capital Replacement
What is the source of revenue within the fund?	Rates & Fees
Is there grant funding for this item?	Not Applicable
If yes, does this grant require a match?	Not Applicable

Legal Issues:

None. Consideration of this matter is a legislative process. The City has secured outside counsel to serve as bond counsel.

Other Issues and Considerations:

The bonds are expected to be marketed mid-March for closing on the sale of the bonds April 5, 2022.

Applicable Council Priority and Goal:

Infrastructure and Growth: Establish the capital and human infrastructure to support and maintain a safe, competitive, appealing and dynamic community.

Public Facilities and Equipment. Provide a framework of public services, facilities, and equipment that support a safe, pleasing and successful community.

Decision Options:

- 1) Adopt the resolution as presented; or
- 2) Amend the resolution and adopt as amended; or
- 3) Deny the resolution; or
- 4) Continue consideration of the resolution to a date certain.

Council's Recommended Action:

A motion to adopt the Resolution.

Attachments:

Resolution