



## City of Ketchum

July 18, 2022

Mayor Bradshaw and City Councilors  
City of Ketchum  
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

### **Presentation and Discussion on Revenue Bond Scenarios to fund Wastewater Treatment Facility Improvements**

#### Recommendation and Summary

Michael Keith of Zions Bank was selected to serve as the city's Financial Advisor related to due diligence activities associated with revenue bonds to fund improvements at the wastewater treatment plant. Zions has completed two financial scenarios for the City Council to review and provide feedback. One scenario is a combination of cash and two debt issuances, and the other is more reliant on debt as the primary financing tool. Based on Council feedback, staff will work with Zions to refine to one preferred scenario, which will be presented to the public for feedback.

The following timeline is recommended by staff to meet the statutory election deadlines:

- August 1: First Reading of election ordinance
- August 15: Second Reading of election ordinance
- September : 3<sup>rd</sup> Reading of election ordinance
- September 9: Last day to file ballot language with County Clerk
- November 8: Election Day

#### Introduction and History

The city retained HDR Engineering to update the previous Wastewater Facility Plan which outlines future capital investments at the treatment plant to meet the needs of the town and comply with regulations set forth by the Idaho Department of Environmental Quality (DEQ).

#### Sustainability Impact

The treatment plant discharges into the Big Wood River. One of the major focuses of the capital improvements is to meet current and future water quality standards. The city already utilizes a water reuse approach to service irrigation needs. The plan also reviewed any opportunities to reduce the consumption of electricity. Lastly, the plan seeks to transition biosolids to compost.

#### Financial Impact

Implementing the Capital Improvement Plan schedule will require a FY23 rate increase (7%) and engaging voters in November to approve the issuance of \$18-\$20 million in revenue bonds (50% approval).

#### Attachments

Presentation