



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, August 13, 2019
Category:	NEW BUSINESS
Type:	ACTION
Subject:	UCAP Resolution Ratifying and Approving Lyon County Conduit Bonding
Background Information:	<p>On June 18, 2019, the Board adopted a resolution calling a public hearing on Tuesday, September 3, 2019 pursuant to Section 469.154, subdivision 4 of the Act, and Section 147(f) of the Code, to consider the issuance of the Note to finance and refinance a United Community Action Partnership (UCAP) Head Start facility hereinafter referred to as “the Project”. The Prior Resolution also preliminarily approved the issuance of the Note, in an aggregate principal amount not to exceed \$1,340,000.</p> <p>As directed by the Board of Commissioners in the Prior Resolution, the County Auditor/Treasurer published a notice of the public hearing in the official newspaper of the County and a newspaper of general circulation in the County.</p> <p>Thereafter, UCAP notified the County of an unexpected delay in the process relating to certain additional funding sources for the Project and requested that the public hearing be postponed. UCAP represented to the County that the delay could require a rebidding of the construction of the Existing Facility, which in turn could result in a need for bond financing exceeding the principal amount of the Note preliminarily approved by the Board pursuant to the Prior Resolution. As requested, the County postponed the public hearing to a later date.</p> <p>UCAP has since requested that the County proceed with the proposed conduit bond financing so that UCAP will be in a position to begin construction of the New Facility in the fall of 2019. To allow for potential cost overruns, UCAP has requested that the County preliminarily approve the issuance of the Note in an aggregate principal amount not to exceed \$2,000,000.</p> <p>City of Marshall adopted a resolution on June 25, 2019 consenting to and approving the issuance of the above-referenced obligation (the “Note”) by Lyon County, in the aggregate principal amount not to exceed \$1,340,000. In light of the increase in the proposed maximum aggregate principal amount of the Note, it is appropriate that the City Council of the City ratify the previous consent and approval of the issuance of the Note. To that end, attached is a resolution for consideration and adoption by the City Council of the City of Marshall on August 13, 2019, ratifying its consent and approval of the issuance of the Note by the County in the aggregate principal amount not to exceed \$2,000,000.</p>
Fiscal Impact:	None
Alternative/ Variations:	None
Recommendations:	Adopt Resolution