

# BOARD OF ALDERMEN

ITEM NO. C(5)

## AGENDA ITEM ABSTRACT

MEETING DATE: February 6, 2007

**TITLE: A Request to Approve a Resolution for the Issuance of \$2,590,000 Sidewalk Bond Anticipation Notes**

<b>DEPARTMENT: Management Services</b>	<b>PUBLIC HEARING: YES ___ NO <u>x</u></b>
<b>ATTACHMENTS:</b> A. Resolution for the Issuance of \$2,590,000 Sidewalk Bond Anticipation Notes	<b>FOR INFORMATION CONTACT:</b> L. Bingham Roenigk, Assistant Town Manager, 918-7439 George Seiz, Public Works Director, 918-7427

### PURPOSE:

A resolution representing the Board's formal authorization for the sale of \$2,590,000 in sidewalk bond anticipation notes to replace the existing bond anticipation notes and provide additional project funding is presented for board approval. This resolution will allow for the design, construction, and implementation of sidewalk and greenways projects approved by voters in November 2003 to continue.

### INFORMATION

The Board approved an initial round of bond anticipation notes totaling \$1,230,000 in June 2006 to provide funding for the first phase of sidewalk projects in anticipation of the later issuance of a portion of the Bonds. These notes expire in early March 2007 allowing the Town an opportunity to re-issue and increase the amount needed for upcoming projects. At the board meeting of January 16, 2007, the Board agreed with the staff recommendation to issue another bond anticipation note of \$2,590,000 to continue the sidewalk and greenway projects. The current agenda item presents the formal resolution authorizing the sale. This resolution performs several steps: authorizes sale of \$2,590,000 in sidewalk and greenway notes; formally pledges the Town's taxing power to provide payment on the notes; approves the proposed form of the notes themselves; states the Town's agreement to comply with the relevant provisions of federal tax law; and authorizes Town staff to complete the process of issuing the notes, and approves the steps to that end previously taken. This resolution is in a form substantially similar to the resolution the Board approved for the first round of bond anticipation notes.

### FISCAL IMPACT:

The current BANs shall mature in March 2007 at an interest cost of approximately \$38,500 which is already budgeted. Actual interest cost associated with the modified BAN will not be known until February 27, 2007 when the Local Government Commission (LGC) receives sealed bids. Closing of the notes is scheduled for March 13, 2007. Sufficient funds are available to pay for bond counsel fees and administrative fees incurred by the LGC. As project budgets are confirmed, a budget amendment will be presented at a later date to the Board before the year-end allocating BAN proceeds to projects as needed.

### STAFF RECOMMENDATION:

Approve resolution for the issuance of \$2,590,000 in sidewalk bond anticipation notes.