

BOARD OF ALDERMEN

ITEM NO. C(2)

AGENDA ITEM ABSTRACT MEETING DATE: October 16, 2007

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

DEPARTMENT: Management Services	PUBLIC HEARING: YES ___ NO <u>x</u>
ATTACHMENTS: Attachment A: Resolution for the Issuance of \$2,590,000 Sidewalk Bond Anticipation Notes	FOR INFORMATION CONTACT: 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 ongoing 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 has approved two rounds of bond anticipation notes previously, with the cumulative total now at \$2,590,000 in anticipation of the later issuance of a portion of the Bonds. These notes expire in early December 2007 allowing the Town an opportunity to re-issue the amount needed for upcoming projects. At the board meeting of October 2, 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 most recent round of bond anticipation notes.

FISCAL IMPACT:

The current BANs shall mature in December 2007 at an interest cost of approximately \$75,400 which is already budgeted. The actual interest cost associated with the modified BAN will not be known until November 20, 2007 when the Local Government Commission (LGC) receives sealed bids. The closing of the notes is scheduled for December 4, 2007. Sufficient funds are available to pay for bond counsel fees and administrative fees incurred by the LGC. As projects progress, a budget amendment may be presented at a later date to the Board to reallocate funds to various projects where needed.

STAFF RECOMMENDATION

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