

BOARD OF ALDERMEN

ITEM NO. C(2)

AGENDA ITEM ABSTRACT

MEETING DATE: April 7, 2009

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: 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 four 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 May 2009 allowing the Town an opportunity to re-issue the amount needed for upcoming projects. At the board meeting of January 20, 2009, the Board agreed with the staff recommendation to continue with the bond construction program and issue another bond anticipation note at the same level 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 May 2009 at a cost of approximately \$56,980 which is already budgeted. Actual interest cost associated with the upcoming BAN will not be known until May 5th when the Local Government Commission (LGC) receives sealed bids. Closing of the notes is scheduled for May 19th. Sufficient funds are available to pay for bond counsel fees and administrative fees incurred by the LGC.

STAFF RECOMMENDATION

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