



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** November 14, 2016

SUBJECT: Consider Reimbursement Resolution No. 2016-035 for Fiscal Year 2016/2017 Capital Improvement Program (CIP) items not to exceed \$6,900,000.

PRESENTER: Mark Mills, Budget Director / Interim Finance Director

SUMMARY:

The Fiscal Year 2016/2017 Capital Projects Budget includes items to be funded with certificates of obligation. Approving a reimbursement resolution for these items allows the bidding and awarding of contracts before receipt of the bond proceeds.

GENERAL DESCRIPTION:

To reimburse expenditures with the proceeds of future debt, a resolution must be approved authorizing the reimbursement. The Council approved a similar resolution in September 2015. Five (5) capital projects utilizing certificates of obligation as a funding source have been identified in Fiscal Year 2016/2017.

An early 2017 bond sale is anticipated. The reimbursement resolution prepared for Council approval includes the following projects and equipment.

Project Number	Project Title	Amount
SM1701	Preventive Street Maintenance	\$1,000,000
PK1603	Northfield Park Redevelopment	\$3,900,000
FS1701	Aerial Fire Apparatus (1)	\$680,000
FS1702	Aerial Fire Apparatus (2)	\$710,000
FC1703	Fire Engine	\$525,000
	Estimated Issuance Cost	\$85,000
Total		\$6,900,000



The reimbursement resolution itself does not authorize the issuance of bonds; it only stipulates that any expenses made before the bond sale may be reimbursed with bond proceeds. Any interim funding required will be appropriated from existing reserves and will be repaid upon receipt of the bond proceeds. A separate agenda item regarding "Notice of Intent" to issue certificates of obligation will be presented to Council during early 2017. The total amount of bonds for these projects will not exceed \$6,900,000.

RECOMMENDATION:

Approve Reimbursement Resolution No. 2016-035 for Fiscal Year 2016/2017 Capital Improvement Program (CIP) items not to exceed \$6,900,000.