



Legislation Text

File #: 2018-5208, **Version:** 1

Consider a resolution expressing official intent to reimburse certain project expenditures in conjunction with the Public Works Center project, from the proceeds of a future Certificates of Obligation bond sale.

This resolution allows for project costs related to design and construction of the Luther Peterson Public Works Center to be spent before the bond proceeds are received. This resolution will allow the project to move forward using existing cash and then reimburse the funds once the bonds are issued.

The City plans to issue up to \$7.0 million of Certificates of Obligations to fund the project and estimated closing costs during Spring 2019. Per Council direction during the 2016/17 budget process, the original General Self-Finance Construction Fund monies designated for this project were redirected to the City's neighborhood street maintenance program.

The project timing is currently being discussed due circumstances that have arisen since Council first approved a similar reimbursement resolution March 2017.

This first phase of the new Luther Peterson Public Works Center will move most Utilities divisions and all Transportation divisions to this location.

- Utility department staff currently at Luther Peterson,
- All Utility department management and administration, currently located at the Enterprise location;
- A portion of Utility department staff currently located at the water plant; and
- All Transportation staff.

The maximum cost of the Luther Peterson Public Works Center is \$20.9 million before value engineering and scope analysis, which is currently underway. The Utility Fund's portion is an estimated \$13.9 million.

This resolution is required to meet IRS rules and regulations regarding the use of tax-exempt funds.