



# City of Grand Island

Tuesday, June 27, 2006

Council Session

## Item G12

**#2006-185 - Approving Intent to Issue Bonds to Finance the Law Enforcement Center Construction**

Staff Contact: David Springer

# **Council Agenda Memo**

**From:** Dave Springer, Finance Director

**Meeting:** June 27, 2006

**Subject:** Approving Intent to Issue Bonds to Finance the Law Enforcement Center Construction.

**Item #'s:** G-12

**Presenter(s):** Dave Springer, Finance Director

## **Background**

At the time the project was approved, it was the intent to finance the construction of the new Law Enforcement Center through the issuance of tax-exempt bonds and was appropriated for in the 2005-06 budget. Debt service is to utilize sales tax revenues. We are at the point where construction activity should accelerate rapidly and we plan to seek council's issuance approval at the July 25th regular meeting.

## **Discussion**

The purpose of the Resolution of Intent before council this evening is simply to meet U.S. Treasury requirements which would allow the City to go back sixty days from the bond issuance date and reimburse itself for costs incurred during that time from bond proceeds. The sizing of the bond issue has not yet been finalized, but the net funding of the construction account is not planned to exceed \$8 million.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council approve the Resolution of Intent to issue bonds.

## **Sample Motion**

Motion to approve the Resolution of Intent to issue bonds to finance the Law Enforcement Center construction.

RESOLUTION 2006-185

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor and Council of the City hereby find and determine that it is necessary and appropriate to declare their official intent to issue tax-exempt bonds on behalf of the City. It is the City's reasonable expectations to reimburse certain expenditures with proceeds of such bonds as proposed to be issued by the City in connection with the proposed project as described below.

BE IT FURTHER RESOLVED, that this resolution shall stand as a statement of the City's official intent under Regulation 1.150-2 of the regulations of the United States Treasury and for such purpose the following information is given:

1. A general functional description of the project for which expenditures may be made and reimbursement from bond proceeds provided is as follows: Law Enforcement Center
2. The maximum principal amount of debt expected to be issued for such project is \$8,500,000.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 27, 2006.

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Jay Vavricek, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 22, 2006	☐ City Attorney