



Legislation Details (With Text)

File #: 39813 **Version:** 1 **Name:** Amended Initial Resolution Authorizing Not to Exceed \$12,650,000 Bonds of the City of Madison for various street and sidewalk projects.

Type: Resolution **Status:** Passed

File created: 8/21/2015 **In control:** COMMON COUNCIL

On agenda: 9/1/2015 **Final action:** 9/1/2015

Enactment date: 9/4/2015 **Enactment #:** RES-15-00724

Title: Amended Initial Resolution Authorizing Not to Exceed \$12,650,000 Bonds of the City of Madison for various street and sidewalk projects.

Sponsors: Paul R. Soglin

Indexes:

Code sections:

Attachments: 1. Form of notice to be published, 2. City attorney memo

Date	Ver.	Action By	Action	Result
9/1/2015	1	COMMON COUNCIL	Adopt Under Suspension of Rules 2.04, 2.05, 2.24, and 2.25	Pass
8/21/2015	1	Attorney's Office	RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - MISC. ITEMS	

Fiscal Note

This is an initial resolution to issue 20-year bonds for certain major streets projects that were included in the 2015 adopted capital budget. Those projects are listed below:

East Johnson Street	Street reconstruction	
		\$2,890,000
Hoepker Road	4-lane urban boulevard with bike lanes and sidewalks	
		1,796,000
Milwaukee Street Bridge	Reconstruct Starkweather Creek Bridge and approaches	
		1,130,000
Reconstruction Streets	Replaces various deteriorated streets	
		3,911,100
Rural to Urban Streets	Reconstructing streets with substandard pavements to city standards	
		2,617,000
		\$12,344,100

Up to a total of \$12,650,000 in bonds will be issued for these projects, including the estimated cost of issuance.

Due to the relatively large cost impact and expected useful life of these projects, along with the anticipated overall amount of borrowing in 2015 due to major facilities construction and renovation projects, these bonds will be issued with a 20 year repayment period. Debt service on \$12.65 million is anticipated to be approximately \$900,000 annually. This compares with estimated annual debt service of \$1.4 million for 10 year promissory notes. Interest costs on 20 year bonds are estimated to total \$3.9 million, compared with \$1.6 million for 10 year notes. The debt service and interest cost estimates are based on current interest rates on

AAA-rated municipal debt and the City's practice of repaying debt on a level-principal basis.

Title

Amended Initial Resolution Authorizing Not to Exceed \$12,650,000 Bonds of the City of Madison for various street and sidewalk projects.

Body

WHEREAS Section 67.05(1), Wisconsin Statute, requires that a bond issuance under sec. 67.04, Wis. Stat., have a notice of referendum published within fifteen days following the initial resolution's adoption by the Common Council; and

WHEREAS, initial resolution, RES-15-00653, was adopted on August 4, 2015 and directed that said notice be published; and

WHEREAS, the notice was not published in accordance with the statute; and

WHEREAS, this resolution will act as a new initial resolution to permit the City to publish the notice in accordance with statute and issue bonds as part of its General Obligation borrowing.

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of Madison, Wisconsin, that there shall be issued the general obligation bonds of the City in a principal amount not to exceed \$12,650,000 for the following purposes: (i) street reconstruction, (ii) four-lane urban boulevard with bike lanes and sidewalks, (iii) replacing various deteriorated streets, and (iv) reconstructing streets with substandard pavements to City standards. For the purpose of paying principal of and interest on the bonds, there is hereby levied on all the taxable property in the City a direct annual irrevocable tax sufficient for that purpose.

BE IT FURTHER RESOLVED, that the City Clerk is authorized to publish a Notice to Electors pursuant to Section 67.05(7)(b), Wisconsin Statutes, within fifteen days of adoption of this initial resolution.