

**REQUEST FOR ACTION
RAMSEY COUNTY BOARD OF COMMISSIONERS**

Requesting Department: Finance Department

B2018-52

Committee: Board of Commissioners

Meeting Date: 1/23/2018

SUBJECT: 2018 Capital Improvement Program Bond Ordinance – Set Public Hearing Date

REQUESTED ACTION

Set the Public Hearing date of February 13, 2018 at 9 a.m., or as soon thereafter as possible, in the Council Chambers, 3rd floor of the Ramsey County Court House, 15 West Kellogg Boulevard, St. Paul, MN, on the proposed 2018 Capital Improvement Program Bond Ordinance.

EXECUTIVE SUMMARY

The County issues bonds in accordance with provisions of Ordinance No. 93-292, which was effective July 29, 1993, and sets forth a procedure for issuing bonds in compliance with the Home Rule Charter of Ramsey County. The ordinance process requires setting the date for a public hearing at the time of the first reading of the Ordinance and publication of a notice at least 10 days in advance of the public hearing.

The 2018 Capital Improvement Program Bond Ordinance authorizes the issuance of General Obligation Capital Improvement Bonds and sets the maximum amount of bonds to be sold under the Ordinance at \$11,200,000, including bond issuance costs. The actual amount of bonds issued under this Ordinance may be less but cannot be more than the maximum. The County Board will be requested at a later date to approve the actual amount of bonds issued and to award the sale of bonds to the best bidder.

The approved 2018 Capital Improvement Program Budget and Financing plan (Resolution B2017-327B) includes the issuance of general obligation bonds to finance projects as follows:

2018 CIP Regular Projects and bond issuance costs	\$ 3,800,000
2018 CIP Major Projects	
Correctional youth out of home placement capital planning and design	500,000
Juvenile and Family Justice Center building planning and design	200,000
Historical Society - Gibbs Farm architectural and engineering costs	132,000
Aldrich Arena repaving, landscaping and fire suppression system	1,454,200
Ice Arena ADA modifications, new refrigerant infrastructure, roof systems	1,516,000
Green Ice – Building management systems, LED retrofits, energy-efficiency	385,000
Law Enforcement Center security access system replacement	2,400,000
800 MHz radio replacement countywide	700,000
Bond issuance costs	<u>112,800</u>
Total 2018 CIP Major Projects	\$ 7,400,000
Total 2018 CIP Bond Financing (Regular and Major)	\$11,200,000

With Board approval, the Ordinance is anticipated to be effective April 14, 2018. The bonds are anticipated to have a May 7 sale date and be considered for award by the Board on May 8.

2018 Capital Improvement Program Bond Ordinance – Set Public Hearing Date

FISCAL IMPACT

The proposed Ordinance authorizes the issuance of bonds to finance capital improvements as identified in the County's adopted 2018 Capital Improvement Program Budget and Financing Plan (Resolution B2017-327B).

COUNTY MANAGER COMMENTS

The Ramsey County Home Rule Charter requires that every Ordinance have two readings and a public hearing.

PREVIOUS ACTION

On December 12, 2017 (Resolution B2017-327B), the County Board approved the 2018 Capital Improvement Program Budget and Financing Plan.

ATTACHMENTS

1. Draft Resolution
2. Proposed 2018 Capital Improvement Program Bond Ordinance
3. Public Hearing Notice
4. Proposed Schedule of Events – 2018 Capital Improvement Program Bond Sale

Draft Resolution

WHEREAS, Ramsey County proposes to issue bonds in accordance with provisions of Ordinance No. 93-292, adopted on July 29, 1993, which sets forth a procedure for issuing bonds in compliance with the Ramsey County Home Rule Charter; and

WHEREAS, The ordinance process requires setting the date for the public hearing, publishing the notice of public hearing at least 10 days in advance, official publication of the ordinance, and a 45 day waiting period after passage before the ordinance becomes effective; Now, Therefore, Be It

RESOLVED, The Ramsey County Board of Commissioners sets the Public Hearing date of February 13, 2018 at 9 a.m., or as soon thereafter as possible, in the Council Chambers, 3rd floor of the Ramsey County Court House, 15 West Kellogg Boulevard, St. Paul, MN, on the proposed 2018 Capital Improvement Program Bond Ordinance.

OFFICIAL SUMMARY OF ORDINANCE
AUTHORIZING THE ISSUANCE OF
GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS
IN AN AGGREGATE AMOUNT NOT TO EXCEED \$11,200,000

This ordinance authorizes the issuance of bonds, notes or other obligations, in one or more series in an aggregate principal amount not to exceed \$11,200,000 for capital improvement needs.

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$11,200,000

A. WHEREAS, since 1989, Ramsey County, Minnesota (the “County”), has issued bonds to finance capital improvements identified in a capital improvement plan developed with citizen participation; and

B. WHEREAS, the Home Rule Charter of the County (the “Home Rule Charter”) is a desirable source of authority for the issuance of such bonds; and

C. WHEREAS, the County’s adopted capital improvement budget for 2018 contemplates undertaking capital improvements financed in part by bonds, notes or other obligations, in one or more series, in an estimated aggregate amount of \$11,200,000:

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE COUNTY OF RAMSEY DOES ORDAIN as follows:

1. Authorization of Bonds - The bonding and borrowing of money by the issuance of general obligation bonds, notes or other obligations, in one or more series from time to time as needed, in an aggregate principal amount not to exceed \$11,200,000 plus the amount of any premium paid with respect thereto (the "Bonds") is hereby authorized to finance (1) the costs of improvements set forth in the 2018 capital improvement budget of the County, (2) the costs of any other improvements set forth in the County's capital improvement budgets of any year and any other capital expenditures authorized by the County, to the extent proceeds of the Bonds are not expended on improvements set forth in the 2018 capital improvement budget due to changes occurring after the date hereof. The amount authorized under this Ordinance is in addition to amounts previously authorized under prior ordinances of the County.
2. Bonding Procedure and Terms - The Bonds shall be scheduled for sale and awarded for sale by resolutions. The specific amount, maturities, interest rates and other terms and conditions of the Bonds and covenants with respect to the Bonds shall be set or made by resolution.
3. Taxes - The Bonds shall be general obligations to which the full faith and credit and taxing powers of the County are pledged. The Bonds may also be paid from interest earnings on the debt service account, and from any other moneys appropriated by the County Board. The taxes levied for the payment of the Bonds shall not limit or reduce the ability of the County to levy taxes for the payment of the costs of other capital improvements or obligations issued to finance the payment of such costs
4. Authorization of Refunding Bonds - The bonding or borrowing of money by the issuance of bonds or other obligations to refund the Bonds is hereby authorized on the same basis as set forth in paragraphs 4 and 5 of Ordinance No. 93-292, authorizing the refunding of bonds issued prior to November 6, 1992. Further proceedings to schedule such refunding bonds for sale, to set the terms and conditions thereof, to make covenants with respect thereto and to award the sale thereof may be, and are hereby authorized to be, done or taken by resolution.
5. Referendum Upon Petition - This ordinance is subject to the ordinance procedure of the County's Home Rule Charter, including the holding of a referendum if a sufficient petition is filed within forty-five (45) days after its publication. Among other conditions to be met, a sufficient petition must be signed by registered voters of the County equal in number to ten percent (10%) of those who voted in the County for the office of President of the United States in the last general election.

**NOTICE OF
PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that the Ramsey County Board of Commissioners will hold a Public Hearing at 9:00 a.m., or as soon thereafter as possible, on Tuesday, February 13, 2018, in the Council Chambers, third floor Court House, 15 West Kellogg Boulevard, St. Paul, Minnesota, 55102. This Public Hearing will be conducted in order to afford the public the opportunity to comment on the following proposed 2018 Capital Improvement Program Bond Ordinance. The total proposed bond issue is \$11,200,000. The projects are summarized below:

2018 CIP Regular Projects and bond issuance costs	\$3,800,000
2018 CIP Major Projects	
Correctional youth out of home placement capital planning and design	\$ 500,000
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Total 2018 CIP Major Projects	\$ 7,400,000
Total 2018 CIP Bond Financing (Regular and Major)	\$11,200,000

The entire proposed Ordinance can be accessed through www.ramseycounty/publichearings, or by calling the Acting Chief Clerk – County Board at (651) 266-8014. Persons who intend to testify are requested to contact (651) 266-8014 or janet.guthrie@co.ramsey.mn.us prior to Tuesday, February 13, 2018.

**OFFICIAL SUMMARY OF ORDINANCE
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GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS
IN AN AGGREGATE AMOUNT NOT TO EXCEED \$11,200,000**

This ordinance authorizes the issuance of bonds, notes or other obligations, in one or more series in an aggregate principal amount not to exceed \$11,200,000 for capital improvement needs.

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A. WHEREAS, since 1989, Ramsey County, Minnesota (the “County”), has issued bonds to finance capital improvements identified in a capital improvement plan developed with citizen participation; and

B. WHEREAS, the Home Rule Charter of the County (the “Home Rule Charter”) is a desirable source of authority for the issuance of such bonds; and

C. WHEREAS, the County’s adopted capital improvement budget for 2018 contemplates undertaking capital improvements financed in part by bonds, notes or other obligations, in one or more series, in an estimated aggregate amount of \$11,200,000: NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE COUNTY OF RAMSEY DOES ORDAIN as follows:

1. Authorization of Bonds - The bonding and borrowing of money by the issuance of general obligation bonds, notes or other obligations, in one or more series from time to time as needed, in an aggregate principal amount not to exceed \$11,200,000 plus the amount of any premium paid with respect thereto (the “Bonds”) is hereby authorized to finance (1) the costs of improvements set forth in the 2018 capital improvement budget of the County, (2) the costs of any other improvements set forth in the County’s capital improvement budgets of any year and any other capital expenditures authorized by the County, to the extent proceeds of the Bonds are not expended on improvements set forth in the 2018 capital improvement

budget due to changes occurring after the date hereof. The amount authorized under this Ordinance is in addition to amounts previously authorized under prior ordinances of the County.

2. Bonding Procedure and Terms - The Bonds shall be scheduled for sale and awarded for sale by resolutions. The specific amount, maturities, interest rates and other terms and conditions of the Bonds and covenants with respect to the Bonds shall be set or made by resolution.

3. Taxes - The Bonds shall be general obligations to which the full faith and credit and taxing powers of the County are pledged. The Bonds may also be paid from interest earnings on the debt service account, and from any other moneys appropriated by the County Board. The taxes levied for the payment of the Bonds shall not limit or reduce the ability of the County to levy taxes for the payment of the costs of other capital improvements or obligations issued to finance the payment of such costs

4. Authorization of Refunding Bonds - The bonding or borrowing of money by the issuance of bonds or other obligations to refund the Bonds is hereby authorized on the same basis as set forth in paragraphs 4 and 5 of Ordinance No. 93-292, authorizing the refunding of bonds issued prior to November 6, 1992. Further proceedings to schedule such refunding bonds for sale, to set the terms and conditions thereof, to make covenants with respect thereto and to award the sale thereof may be, and are hereby authorized to be, done or taken by resolution.

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PROPOSED SCHEDULE OF EVENTS
2018 BOND SALE

Estimated <u>Date</u>	
January 23	First Reading of Ordinance Set Date for Public Hearing (No sooner than 10 days after first reading)
February 13	Second Reading of Ordinance Public Hearing
February 20	Action on Ordinance
February 28	Publication of Ordinance Ordinance becomes effective after forty-five (45) days Forty-five (45) day waiting period starts for the Referendum Petition requirement
March 1	Begin preparation of draft official statement
April 2	Draft official statement distributed for review internally
April 14	Ordinance Becomes Effective Referendum period is closed
April 17	Resolution authorizing bond sale
April 19	Post final Official Statement on internet Final Official Statement delivered to rating agencies
May 4	Rating determination by Moody's and Standard & Poor's
May 7	Take bids on bonds
May 8	Action for awarding the sale of bonds
June 5	Bond Proceeds Received