



FINANCE & RECORDS

MEMO

To: Gregg Mandsager, City Administrator

From: Nancy A. Lueck, Finance Director

Date: April 28, 2014

Re: Resolution Awarding General Obligation Corporate Purpose Bonds - Series 2014

Introduction and Background:

At the April 17, 2014 meeting, City Council approved the resolution setting the date for the sale of \$2,575,000 in General Obligation Corporate Purpose Bonds Series 2014 for May 1, 2014. The deadline for submitting bids on the bonds is 10:00 a.m. that day. The bond issue includes funding for the local share of the Cedar and Colorado Street Reconstruction projects, the local share of Airport improvement projects, Library elevator improvements, and the purchase of equipment for the City's ambulances.

Recommendation:

Susanne Gerlach with Public Financial Management (PFM), the City's Financial Advisor for this issue, will be present at the Council meeting Thursday night to review the bids received and make a recommendation for the award of this issue.

Please include on the agenda for May 1, 2014 meeting the Resolution providing for the award of the \$2,575,000 General Obligation Corporate Purpose Bonds Series 2014.

MINUTES TO RECEIVE BIDS AND SELL
BONDS

421464-40

Muscatine, Iowa

May 1, 2014

The City Council of the Muscatine, Iowa, met on May 1, 2014, at _____ o'clock p.m., at the _____, Muscatine, Iowa.

The meeting was called to order by the Mayor, and the roll was called showing the following Council Members present and absent:

Present: _____

Absent: _____.

This being the time and place fixed by the Council for the consideration of bids for the purchase of the City's General Obligation Corporate Purpose Bonds, Series 2014 the Mayor announced that bids had been received and canvassed on behalf of the City at the time and place fixed therefore.

Whereupon, such bids were placed on file, and the substance of such bids was noted in the minutes, as follows:

<u>Name and Address of Bidder</u>	<u>Final Bid</u> (interest cost)
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(ATTACH BID TABULATION)

After due consideration and discussion, Council Member _____ introduced the resolution next hereinafter set out and moved its adoption, seconded by Council Member _____. The Mayor put the question upon the adoption of said resolution, and the roll being called, the following Council Members voted:

Ayes: _____

Nays: _____.

Whereupon, the Mayor declared the resolution duly adopted as hereinafter set out.

RESOLUTION NO. _____

Awarding General Obligation Corporate Purpose Bonds, Series 2014

WHEREAS, the City of Muscatine (the "City"), in Muscatine County, State of Iowa, heretofore proposed to enter into a General Obligation Loan Agreement (the "Essential Purpose Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$2,600,000 pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of constructing street improvements, acquiring ambulance equipment, constructing improvements to the municipal airport and installing of an emergency siren; and has published notice of the proposed action and has held a hearing thereon on February 20, 2014; and

WHEREAS, the City also proposed to enter into a General Obligation Corporate Purpose Loan Agreement (the "General Purpose Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$40,000 pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of constructing improvements to the municipal library, and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of February 20, 2014, no petition had been filed with the City asking that the question of entering into the General Purpose Loan Agreement be submitted to the registered voters of the City; and

WHEREAS, pursuant to Section 384.28 of the Code of Iowa, the City Council has combined the Essential Purpose Loan Agreement and the General Purpose Loan Agreement into a single loan agreement (the "Loan Agreement"); and

WHEREAS, a Preliminary Official Statement (the "P.O.S.") has been prepared to facilitate the sale of \$2,575,000 General Obligation Corporate Purpose Bonds, Series 2014 (the "Bonds") in evidence of the obligation of the City under the Loan Agreement, and the City Council has made provision for the approval of the P.O.S. and has authorized its use by Public Financial Management, Inc. (the "Financial Advisor"); and

WHEREAS, pursuant to advertisement of sale, bids for the purchase of the Bonds to be issued in evidence of the City's obligation under the Loan Agreement were received and canvassed on behalf of the City and the substance of such bids noted in the minutes; and

WHEREAS, upon final consideration of all bids, the bid of _____, _____, _____ (the "Purchaser"), is the best, such bid proposing the lowest interest cost to the City for the Bonds; and

NOW, THEREFORE, Be It Resolved by the City Council of the City of Muscatine, Iowa, as follows:

Section 1. The City shall enter into the Loan Agreement with the Purchaser in substantially the form as will be placed on file with the City Council, providing for a loan to the City in the principal amount of \$2,575,000 for the purpose or purposes set forth in the preamble hereof.

The Mayor and City Clerk are hereby authorized and directed to sign the Loan Agreement on behalf of the City, and the Loan Agreement is hereby approved.

Section 2. The bid of the Purchaser referred to in the preamble is hereby accepted, and the Bonds are hereby awarded to the Purchaser at the price specified in such bid, together with accrued interest.

Section 3. The form of agreement of sale (the "Sale Agreement") of the Bonds to the Purchaser is hereby approved, and the Mayor and City Clerk are hereby authorized to execute the Sale Agreement for and on behalf of the City.

Section 4. Further action with respect to the approval of the Loan Agreement and the issuance of the Bonds is hereby adjourned to the City Council meeting to be held on May 15, 2014.

Section 5. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved May 1, 2014.

Mayor

Attest:

City Clerk

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Upon motion and vote, the meeting was adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF MUSCATINE
CITY OF MUSCATINE

SS:

I, the undersigned, City Clerk of the City of Muscatine, do hereby certify that as such City Clerk I have in my possession or have access to the complete corporate records of the City and of its Council and officers and that I have carefully compared the transcript hereto attached with those corporate records and that the transcript hereto attached is a true, correct and complete copy of all the corporate records in relation to the sale of General Obligation Corporate Purpose Bonds, Series 2014 of the City evidencing the City's obligation under a certain Loan Agreement and that the transcript hereto attached contains a true, correct and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time with respect thereto.

WITNESS MY HAND this _____ day of _____, 2014.

City Clerk

(Attach here a copy of the bid of the successful bidder.)

April 28, 2014

Nancy Lueck
Finance Officer/City Hall
Muscatine, Iowa
Via Email

Re: General Obligation Corporate Purpose Bonds, Series 2014
Our File No. 421464-40

Dear Nancy:

We have prepared and attach the necessary proceedings to be used at next week's Council meeting to report the bids received and to adopt the resolution approving the sale of General Obligation Corporate Purpose Bonds, Series 2014 to the best bidder.

The attached resolution must be completed with the name of the purchaser, and Public Financial Management, Inc. will tabulate the bid results and provide that name to you.

The proceedings attached include the following items:

1. Resolution awarding the sale of the Bonds and providing for the adjournment of action on the Loan Agreement to May 15, 2014 for adoption of the issuance resolution.
2. Certificate attesting the transcript.

As these proceedings are completed, please return one fully executed copy to our office.

If you have any questions, please contact me.

Best regards,

John P. Danos

Attachments

cc: Jenny Blankenship
Gregg Mandsager