

**NORTH LAS VEGAS CITY COUNCIL
AGENDA ITEM**

NUMBER: 34.

SUBJECT:

Introduce Ordinance No. 2852, Authorizing the Issuance by the City of North Las Vegas, Nevada of its General Obligation (Limited Tax) Wastewater Reclamation System Bonds in the Maximum Principal Amount of \$10,000,000 (Additionally Secured by Pledged Revenues), Series 2018B; and Providing Other Matters Properly Related Thereto.

REQUESTED BY:

Cori Knauss, Finance Director

WARD:

Citywide

RECOMMENDATION OR RECOMMEND MOTION:

It is recommended that on December 6, 2017, the City Council introduce Ordinance No. 2852, and pass and adopt Ordinance No. 2852 on December 20, 2017.

FISCAL IMPACT:

AMOUNT: \$10,000,000, plus interest over a 20-year period

EXPLANATION:

Maximum Principal Amount of \$10,000,000

ACCOUNT NUMBER:

00620-600321-490610/490620-000000

STAFF COMMENTS AND BACKGROUND INFORMATION:

The Clean Water State Revolving Fund is a self-perpetuating loan assistance authority providing financial assistance at below market rates to publicly- and privately-owned systems for wastewater infrastructure improvement projects and is administered by the Nevada Division of Environmental Protection (NDEP). To-date, NDEP has obligated well over \$400 million in clean water loans, benefiting approximately 80 projects in 37 separate jurisdictions across Nevada.

Over 38,000 lineal feet of deteriorating concrete sewer main requires rehabilitation through in-situ methods and consists of main ranging in diameter from 15-inch to 33-inch in Losee Road, Carey Avenue, Pecos Road and Cheyenne Avenue. This project was approved in the FY 2017-2021 Capital Improvement Plan and staff identified the rehabilitation be over a five-year period in order to minimize the budgetary impact.

However, based on a report prepared by Horrocks Engineers, the deterioration of this sewer main is such that

CIP No.	Related Item: No	
LIST CITY COUNCIL GOAL(S): Responsible Fiscal Management		
<p>PREPARED BY:</p> <p>Cori Knauss Finance Director</p>	<p>Respectfully Submitted</p> <p>Qiong X. Liu City Manager</p>	<p>CITY COUNCIL MEETING DATE:</p> <p>12/6/2017</p>

rehabilitation should be done as early as possible. As such, staff is recommending the project be financed through the Clean Water State Revolving Fund. In order to accomplish this, the City will issue a general obligation (limited tax) wastewater reclamation system bond (additionally secured by pledged revenues) in the maximum principal amount of \$10 million to be sold at private sale to the State to evidence the City's obligation to repay the loan to the Revolving Fund, and in-turn, the State will provide funds to the City. It's anticipated the interest rate on the bond/loan will be 2.5% over the 20-year period.