
M E M O R A N D U M

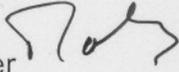
DATE: January 17, 2005
TO: City Council Members
FROM: Jennifer Bruno, Policy Analyst
RE: Reimbursement Resolution – Fleet Facility Land Purchase

On December 1, 2005, the City Council decided to purchase a piece of land that could be used for the new Fleet Facility for \$3.1 million. The source of the money for this purchase was the Special Land Sales account under CIP. At the briefing for this issue, the Administration said that this money could be “reimbursed” to this Special Land Sales account, should the Council ever decide to build a Fleet Facility with bond money. This resolution is required so that if the Council ever does decide to bond for a new Fleet Facility at this location, the bond proceeds would be able to “reimburse” the Special Land Sales account in the amount of \$3.1 million. To be eligible this resolution needs to be adopted by January 30, 2006.

DANIEL A. MULE'
CITY TREASURER

SALT LAKE CITY CORPORATION
DEPARTMENT OF MANAGEMENT SERVICES
TREASURER

ROSS C. "ROCKY" ANDERSON
MAYOR

TO: Rocky J. Fluhart, Chief Administrative Officer 
FROM: Daniel A. Mulé, City Treasurer 
DATE: January 10, 2006
SUBJECT: Resolution Expressing Official Intent to Reimburse Certain Capital Expenditures from Proceeds of Sales Tax Revenue Bonds to Be Issued for the Purpose of Constructing a New Fleet Facility

STAFF CONTACT: Daniel A. Mulé, City Treasurer

TELEPHONE NUMBER: 535-6411

RECOMMENDATION: That the City Council adopt the above-referenced resolution.

DOCUMENT TYPE: Resolution

BUDGET IMPACT: None.

DISCUSSION: A reimbursement resolution needs to either describe the related project or identify the source of funds from which payment will come (such as Capital Improvement Program (CIP) funds) and it also needs to state the maximum principal amount of bonds to be issued. In addition to allowing all eligible expenditures to be paid from the named account on or after the passage of the resolution, a reimbursement resolution allows the City to recoup eligible "hard cost" expenditures (such as land purchases, building construction) from future bond proceeds provided that these expenditures were made no longer than 60 days prior to the adoption of the reimbursement resolution. Preliminary expenditures or "soft costs" (such as design work, engineering fees) are reimbursable without a reimbursement resolution as long as these costs do not exceed 20% of the bond proceeds. Soft costs are not subject to the 60-day time limit referenced above. On December 1, 2005, the City purchased land for the new Fleet Facility at a cost of \$3,104,284.67. The source of funds for this purchase was the Special Land Sales account in the CIP. This resolution would need to be adopted by January 30, 2006 in order for the land purchase to be eligible for reimbursement from bond proceeds yet to be received in connection with this financing.

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451 SOUTH STATE STREET, ROOM 228, SALT LAKE CITY, UTAH 84111

TELEPHONE: 801-535-7946 FAX: 801-535-6082



RESOLUTION NO. ____ OF 2006

A RESOLUTION Expressing Official Intent Regarding Certain Capital Expenditures to be Reimbursed From Proceeds of an Obligation to be Issued by the City.

WHEREAS, Salt Lake City, Utah (the "City"), is planning to acquire and construct a new fleet facility (the "Project");

WHEREAS, the City Council of the City (the "City Council") deems it necessary and advisable that it take such action as may be required under applicable provisions of law to authorize and issue sales tax revenue bonds (the "Bonds") to finance the costs of the Project; and

WHEREAS, all or a portion of the expenditures relating to the Project (the "Expenditures") (i) have been paid from the City's Capital Improvement Program Fund (the "Fund") within the sixty days prior to the passage of this Resolution or (ii) will be paid from the Fund on or after the passage of this Resolution and prior to the issuance of the Bonds;

NOW THEREFORE BE IT AND IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF SALT LAKE CITY, SALT LAKE COUNTY, UTAH, AS FOLLOWS:

Section 1. The City reasonably expects to reimburse the Expenditures with proceeds of the Bonds.

Section 2. The maximum principal amount of the Bonds expected to be issued for the Project is \$28,000,000.

Section 3. All actions of the officers, agents and employees of the City that are in conformity with the purposes and intent of this Resolution, whether taken before or after the adoption hereof, are hereby ratified, confirmed and adopted.

Section 4. All resolutions in conflict with this Resolution or any part hereof are hereby repealed.

Section 5. This Resolution shall be in full force and effect immediately upon its adoption.

ADOPTED AND APPROVED by the City Council and the Mayor of Salt Lake City, Salt Lake County, Utah, this 17th day of January, 2006.

SALT LAKE CITY, UTAH

By _____
Chair

[SEAL]

ATTEST:

By _____
Deputy City Recorder

APPROVED:

By _____
Mayor

APPROVED AS TO FORM:

By _____
Senior City Attorney