



Resolution 2021-014

BOARD OF COMMISSIONERS
SARPY COUNTY, NEBRASKA

Adopting Guidelines Regarding Funding for the ConnectSarpy One and Six Year Road Program, Settling Limits on the Issuance of Bond Funds

Whereas, pursuant to Neb. Rev. Stat. §23-104(6), the County has the power to do all acts in relation to the concerns of the County necessary to the exercise of its corporate powers; and,

Whereas, pursuant to Neb. Rev. Stat. §23-103, the powers of the County as a body are exercised by the County Board; and,

Whereas, pursuant to Neb. Rev. Stat. §39-1402, general supervision and control of the public roads of each county is vested in the County Board; and,

Whereas, pursuant to Neb. Rev. Stat. §66-4,101, any county may by resolution of the County Board issue bonds for the construction of roads of the county and street and state highway; and,

Whereas, through cooperation and collaboration, Sarpy County Administration and the County Engineer's Office has developed the ConnectSarpy One and Six Year Road Project Program ("Program") with a focus on enhancing the safety of the County road network, improving roadways, replacing degraded bridges, and encouraging and facilitating economic growth; and,

Whereas, in order to fund the Program the County intends to use bonds to allow for road network improvements to be undertaken sooner and at less cost than pay-as-you-go projects; and,

Whereas, the County is in a strong financial position with a high credit rating, strong and stable revenues, lack of current debt, significant economic growth and the municipal bond market is currently providing attractive long term financing; and,

Whereas, the County has received at least Twelve Million Dollars (\$12,000,000) of Highway Allocation Funds each year for the past two years and projects the annual revenue to grow by approximately three percent (3%) per year; and,

Whereas, the County relies on other revenue sources to fund road project and operations, including Arterial Street Improvement Fees, State Bridge Buyback, State Road Buyback, Intergovernmental Payments from private development and other jurisdictions, Motor Vehicle Sales Tax, County Bridge Match Program Funds, and other sources for a total revenue amount exceeding Twenty Million Dollars (\$20,000,000) per year;

Whereas, the Sarpy County Board of Commissioners, on June 2, 2020, approved resolution no. 2020-176, authorizing the County to reimburse itself for expenditures made in connection with the construction and improvement of certain roads of the County, and

Whereas, the County desires to be prudent in financing road project and incurring long-term debt.

NOW, THEREFORE, BE IT RESOLVED by the Sarpy County Board of Commissioners that the following guidelines regarding the funding for the ConnectSarpy One and Six Year Road Program are hereby adopted:

1. The average annual debt service on any issuance of bonds for the funding of the ConnectSarpy One and Six Year Road Program shall not exceed fifty percent (50%) of the expected Highway Allocation

Fund revenue in the year that the bonds are issued, unless otherwise approved by a super majority (4/5) vote of the Board.

2. All financed projects must be able to be constructed within the bonding guidelines established in the bonding documents and statutes.
3. Any debt shall not be issued for more than twenty (20) years.

The above Resolution was approved by a vote of the Sarpy County Board of Commissioners at a public meeting duly held in accordance with the applicable law on the 18 day of May 2021

Attest:
SEAL





Sarpy County Chairman



Sarpy County Clerk/Register of Deeds



AGENDA ITEM REQUEST 21-219

Board Meetings - May 18 2021

Resolution

ITEM DESCRIPTION

Adopting Guidelines Regarding Funding for the Connect Sarpy One and Six Year Road Program, Settling Limits on the Issuance of Bond Funds

SPEAKER

Scott Bovick, Deputy Administrator

SUMMARY AND BACKGROUND

The County Board adopted a One and Six Year Program in August 2020 that identifies significant road project needs, with the Connect Sarpy West Giles project being a high priority. The Board intends to issue bonds pledged against the County's Highway Allocation Revenue to finance the Connect Sarpy West Giles Project to complete it sooner and at less cost than a pay as you go program.

An important factor in the attractiveness of bonds to bond purchasers is for the County to take a measured approach to the amount of bond financing to be utilized in relation to revenues. Therefore, staff, along with the County's financial advisor PFM Financial, recommends the Board establish a policy limiting the amount of bonds issued for road projects to less than 50% of the County's projected annual Highway Allocation Revenue. Staff believes this policy will guarantee the County obtains the best interest rate possible on the bonds.

STAFF RECOMMENDATION

Approve

FISCAL IMPACT

Fiscal Year

n/a

Total County cost of project:

n/a

Is Item in current year budget?

Yes No

Does this item commit the County to future expenses beyond this amount?

Yes No

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ATTACHMENTS

[Resolution 2021-014 - Bond Cap](#)

Submitted by: Andrea Gosnold-Parker, Deputy Co Attorney