

1 Introduced June 9, 2009, by Councilman
2 Hursey, seconded by Councilman Hicks
3 (by request of Administration

4 **RESOLUTION R09-16**

5
6 A resolution accepting and approving the Engineering and Economic
7 Feasibility Report for a Recommended Capital Improvement Program for Roads and
8 Drainage financed from ad valorem tax revenues and general obligation bonds prepared
9 by the City Engineer and City Director of Finance, showing the anticipated ad valorem tax
10 revenues required to retire certain proposed general obligation bonds, all in connection
11 with the scheduled election of October 17, 2009; ordering the filing of such report; directing
12 the advertising of a summary of the engineering and economic feasibility report in the St.
13 Tammany News sixty (60) days prior to the election of October 17, 2009.

14 WHEREAS, the City Engineer and City Director of Finance, have prepared
15 and submitted to this Slidell City Council an engineering and economic feasibility report
16 (titled "Engineering and Economic Feasibility Report for a Recommended Capital
17 Improvement Program for Roads and Drainage ") (the "Engineering Report"), relating to a
18 capital finance program including the issuance of general obligation bonds of the City to
19 finance capital improvements; and
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23 WHEREAS, this Slidell City Council desires to approve said Engineering
24 Report; and
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26 WHEREAS, Section 5-09 of the Home Rule Charter requires that a summary
27 of such Engineering Report shall be published in the official journal of the City at least sixty
28 (60) days prior to the date of the election called for the purpose of incurring bonded debt
29 and the Slidell City Council wishes to follow such procedure in connection with calling an
30 election to authorize the levy of an ad valorem tax and the issuance of general obligation
31 bonds.
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4 NOW THEREFORE BE IT RESOLVED by the Slidell City Council, acting as
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6 the governing authority of said City, that:

7 SECTION 1. The Slidell City Council, acting as governing authority of the
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9 City, hereby accepts and approves the Engineering Report, showing the detailed costs and
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11 project summary prepared by the City Engineer, with schedules showing the anticipated ad
12
13 valorem tax revenues required to fund certain cash expenditures and debt service
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15 expenditures, the levy of such ad valorem tax and the issuance of such general obligation
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17 bonds to be authorized at the scheduled election of October 17, 2009.

18 SECTION 2. That it is hereby ordered and directed that copies of said
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20 Engineering Report be filed in the offices of the Slidell City Council to be available for
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22 public review during regular business hours.

23 SECTION 3. This Slidell City Council does further direct the advertisement of
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25 the Engineering Report or a summary thereof in the St. Tammany News at least sixty (60)
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27 days prior to said election of October 17, 2009, said notice to be in substantially the
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29 following form:

30 **PUBLIC NOTICE**
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32 The City of Slidell contemplates the issuance of general obligation bonds of
33 the City to finance certain capital improvements. In compliance with Section
34 5-09 of the Home Rule Charter, the Slidell City Council adopted a resolution
35 on June 9, 2009, accepting the Engineering Report prepared by the City
36 Engineer and City Director of Finance (titled "Engineering and Economic
37 Feasibility Report for a Recommended Capital Improvement Program for
38 Roads and Drainage "), which was prepared relative to the proposed
39 election to authorize the issuance of general obligation bonds and providing
for the filing and publication of such Report as required by the Home Rule
Charter. Copies of said Report may be reviewed during regular office hours
at the City Hall of the offices of the Mayor and of the Clerk of the Slidell City

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4 Council. A summary of said Engineering Report (without exhibits which are
5 on file with the complete Report and may be reviewed at the above named
6 offices) is now published in compliance with Section 5-09 of the Home Rule
7 Charter as follows:

8 Engineering and Economic Feasibility Report
9 for a Recommended Capital Improvement Program for Roads and Drainage
10 SUMMARY AND RECOMMENDATIONS

11
12 As required by the Home Rule Charter for the City of Slidell an Engineering
13 and Economic Feasibility Report must be prepared and presented to the
14 Mayor and City Council, and the Mayor and City Council must approve the
15 report, prior to issuance of general obligation bonds. The report attached
16 hereto and made a part hereof identifies the projects to be funded through
17 the revenues derived from the levy of a special ad valorem tax and the
18 proceeds of general obligation bonds payable therefrom.

19 Project Financing

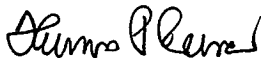
20 It is estimated that the total capital cost of the street and drainage
21 improvements, will be \$10,000,000.00. The City plans to meet that cost by
22 obtaining voter approval for the levy of an ad valorem tax and the issuance
23 of general obligation bonds payable therefrom. It is anticipated that the
24 revenues of such tax along with the proceeds of general obligation bonds
25 secured by the revenue of such tax, will be sufficient to meet the costs of
26 such program improvements. It is anticipated that the maintenance of such
27 facilities will be funded by streams of revenue currently used for such
28 purposes.

29 SECTION 4. That this resolution shall become effective immediately.

30 **ADOPTED** this 9th day of June, 2009.

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33 Rickey Hursey
34 President of the Council
35 Councilman, District B

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37 Thomas P. Reeves
38 Council Administrator
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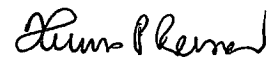
1 **RESOLUTION R09-16**
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4 STATE OF LOUISIANA

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6 PARISH OF ST. TAMMANY

7 I, the undersigned Clerk of the Slidell City Council (the "Governing Authority"),
8
9 the governing authority of the City of Slidell, State of Louisiana (the "City"), do hereby
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11 certify that the foregoing three (3) pages constitute a true and correct copy of the
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13 proceedings taken by the Governing Authority on June 9, 2009, accepting and approving
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15 the Engineering and Economic Feasibility Report for a Recommended Capital
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17 Improvement Program for Roads and Drainage financed from general obligation bonds
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19 prepared by the City Engineer and City Director of Finance, showing the anticipated ad
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21 valorem tax revenues required to retire certain proposed general obligation bonds, all in
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23 connection with the scheduled ad valorem and general obligation bond election of October
24
25 17, 2009; ordering the filing of such report; directing the advertising a summary of the
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27 engineering and economic feasibility report in the St. Tammany News sixty (60) days prior
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29 to the election of October 17, 2009.

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33 IN FAITH WHEREOF, witness my official signature and the impress of the
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35 official seal of the City at Slidell, Louisiana, on this, the 9th day of June, 2009.

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Thomas P. Reeves
Council Administrator

(SEAL)

ENGINEERING AND ECONOMIC FEASIBILITY REPORT

FOR

RECOMMENDED CAPITAL IMPROVEMENT PROGRAM FOR ROADS AND DRAINAGE

FOR THE

CITY OF SLIDELL, LA



June 9, 2009

ENGINEERING REPORT:

The funds available to City of Slidell to improve municipal road and drainage infrastructure have not kept pace with the growth of our city.

When roads are not adequately maintained or rehabilitated in a timely fashion, often times extreme base failures occur leading to much greater cost to rehabilitate. This situation is developing in a significant number Slidell roadways at this time. If improvements are not done soon, these roads will only deteriorate further and be more costly to rehabilitate at a later date. With the limited funding currently available for City road improvement projects, the City's roads will continually worsen. If not soon confronted with a solution, roadway problems will become even more costly to correct.

Additionally, a number of drainage projects have been identified that would significantly improve the City's drainage system and provide greater protection against flooding for our citizens.

PROPOSED ROADWAY PROJECTS

NOTES:

1. Level 1 severity is the most critical, Level 3 the least critical.
2. Cost estimates below are conservative estimates based on very limited information.

PRIORITY	DESCRIPTION	COST
1	12th St from Gause to Florida Ave	\$ 250,000
1	14th St from Gause to Florida Ave	\$ 250,000
1	7th from Gause to Fremaux	\$ 650,000
1	Access road from Pontchartrain to railroad tracks	\$ 100,000
1	Audubon Dr from Robert Blvd to Savannah Dr	\$ 1,400,000
1	Bayou Lane from W. Hall to northern most point of Bayou Lane	\$ 100,000
1	Bonfouca from bridge on Bonfouca to Bayou View	\$ 50,000
1	Bouscaren from 3rd to 4th, incl parking	\$ 250,000
1	Camellia Dr./ W. Camellia	\$ 3,400,000
1	Carey St from Brakefield to the bridge	\$ 150,000
1	Cleveland Ave from Carey St to 8th St	\$ 900,000
1	Driftwood Circle	\$ 2,600,000
1	E. Terrace Ave.	\$ 300,000
1	Kostmayer Dr, Pontchartrain to City Dr	\$ 900,000
1	N. Palm	\$ 700,000
1	Sgt Alfred from Fremaux to OST	\$ 2,900,000
1	Tyler Dr Widening	\$ 600,000
Total for Level 1 Severity Streets =		\$ 15,500,000

2	9th from Gause to Fremaux	\$ 650,000
2	9th from Gause to Tiger	\$ 200,000
2	Florida Ave. at the intersection at Front St	\$ 100,000
2	Louisiana from Broadmoor to Eastridge	\$ 150,000
2	Oleander	\$ 250,000
2	St Ann from Kaycee to 1429 St Ann	\$ 400,000
2	Walnut Ave. from W. Hall to Hwy 190 W	\$ 450,000
Total for Level 2 Severity Streets =		\$ 2,200,000

3	2146 Park Dr to 2142 Park Dr	\$ 100,000
3	Bilten St. from William Tell to College St.	\$ 90,000
3	Club Dr.	\$ 160,000
3	College St from Mayfield St to Bilten St.	\$ 200,000
3	Cousin St from 1147 Cousin to 1127 Cousin	\$ 120,000
3	Cousin St. from Sgt. Alfred to Park Dr.	\$ 850,000
3	Daney St from Sgt. Alfred to the W-14 Canal	\$ 900,000
3	Florida Ave from 6th St to 7th St.	\$ 85,000
3	Kaycee from W. Hall to East-West	\$ 170,000
3	Lincoln Ave. from MLK to Tupelo St	\$ 200,000
3	Palm Circle	\$ 100,000
3	Schley from 4th to 8th	\$ 350,000
3	St Tammany Ave from W. hall to Hwy 190 W.	\$ 500,000
3	Stanley St from Sgt Alfred to Washington	\$ 350,000
3	Teddy Ave from 7th St to 8th St	\$ 75,000
Total for Level 3 Severity Streets =		\$ 4,250,000

TOTAL ESTIMATED COSTS = \$ 21,950,000

PROPOSED DRAINAGE PROJECTS

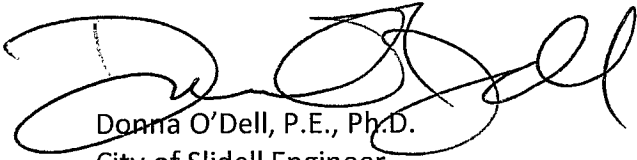
NOTE: Cost estimates below are conservative estimates based on very limited information.

Priority	Project Description	Estimated Cost
1	Completion of City Drainage Barn Pump Station Sluice Gates	\$ 500,000
2	Installation of automatic rakes & barscreens at the City Barn Drainage Pump Station plus drainage improvements to Bayou Pattasat Canal just upstream of this station	\$ 3,500,000
3	Installation of automatic rakes & barscreens at the Schneider Canal Drainage Pump Station	\$ 3,100,000
7	Installation of a new drainage trunkline on Westlawn	\$ 3,400,000
5	Remove and replace the Eastwood Storm drain (box culverts)	\$ 3,500,000
6	Close in ditches in Breckenridge subdivision	\$ 2,500,000
4	Carey St drainage improvements (Brakefield to Bayou Pattasat)	\$ 80,000

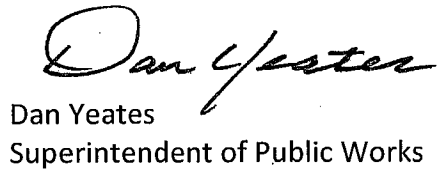
TOTAL DRAINAGE PROJECT ESTIMATE: \$ 16,580,000

The decision to undertake all improvements will be based on the availability of funds and actual priority of the improvement at the time that the funds are made available. It should be clearly noted that the roads and drainage projects listed warrant their consideration for inclusion in this proposal. This does not preclude other road or drainage infrastructure projects from eligibility for funding should conditions change. Projects not selected for improvement at that time will be planned for improvement at a later date with other funds which may be made available.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Donna O'Dell". The signature is fluid and cursive, with the first name "Donna" and last name "O'Dell" clearly distinguishable.

Donna O'Dell, P.E., Ph.D.
City of Slidell Engineer

A handwritten signature in black ink, appearing to read "Dan Yeates". The signature is cursive and somewhat stylized, with the first name "Dan" and last name "Yeates" clearly distinguishable.

Dan Yeates
Superintendent of Public Works

ECONOMIC REPORT:

Traditionally the City has funded the maintenance of drainage and street systems with sales tax revenue on a cash flow basis. Major street work and drainage projects with an estimated life of at least 20 years have been funded through the issuance of sales tax bonds or general obligation bonds.

During fiscal year 2009, the City made the final annual debt service payment of \$595,000 on General Obligation Refunding Bonds, Series 2004. The principal balance outstanding on General Obligation Refunding Bonds, Series 2005 as of June 30, 2009 will be \$4,580,000. Based on the calculations and assumptions presented on the attached schedule, the City could issue \$10,000,000 in General Obligation Bonds during fiscal year 2010 without increasing the millage levied in fiscal year 2009 – 7.29 mills.

In addition, the annual debt service on the Sales Tax Revenue Refunding Bond, Series 2003 will decrease by \$483,000 in 2010 and again by \$341,000 in 2013. Due to the uncertainty of the current economy and our declining sales tax revenue, it is not prudent to consider the issuance of sales tax bonds at this time.

A number of grant applications for the recommended drainage projects are pending and the administration is constantly looking for new grant opportunities.

However, as is often the case in budgetary matters, the requests for funding far outstrip the current availability of funds.

Respectfully Submitted,



Sharon Howes, CPA
Director of Finance
City of Slidell

CITY OF SLIDELL, STATE OF LOUISIANA

Summary Proposed Series 2009 - General Obligation Bonds - 20 year issue
and Projected Millage Requirements

Calendar Year	Outstanding Calendar Year Debt Service (1)	Proposed Series 2009, dated: 9/1/09		Interest (3/1; 9/1)	Total Debt Service	Combined Calendar Year Debt Service	Tax Roll Year	Taxable Assessed Valuation (2)	Millage Rate	Millage Revenue (3)	Ending Sinking Fund Balance
		Principal (3/1)	Coupon								
2009	1,321,906.25						2007	161,963,857			1,168,454.87 (4)
2010	725,581.25	290,000	5.250%	517,387.50	807,387.50	1,321,906.25	2008	208,830,413	7.29	1,446,255.03	1,292,803.65
2011	735,106.25	305,000	5.250%	501,768.75	806,768.75	1,532,968.75	2009	213,007,021	7.29	1,475,180.13	1,235,015.02
2012	738,825.00	320,000	5.250%	485,362.50	805,362.50	1,541,875.00	2010	217,267,162	7.29	1,504,683.73	1,197,823.75
2013	741,506.25	340,000	5.250%	468,037.50	808,037.50	1,544,187.50	2011	221,612,505	7.29	1,534,777.40	1,188,413.65
2014	742,734.38	360,000	5.250%	449,662.50	809,662.50	1,549,543.75	2012	226,044,755	7.29	1,565,472.95	1,204,342.85
2015	752,187.50	375,000	5.250%	430,568.75	805,568.75	1,552,396.38	2013	230,565,650	7.00	1,533,261.57	1,185,207.55
2016	764,437.50	400,000	5.250%	410,025.00	810,025.00	1,557,556.25	2014	230,565,650	7.00	1,533,261.57	1,160,912.87
2017		420,000	5.250%	388,500.00	808,500.00	1,574,462.50	2015	230,565,650	7.00	1,533,261.57	1,119,711.95
2018		440,000	5.250%	365,925.00	805,925.00	808,500.00	2016	230,565,650	3.50	766,630.79	1,077,842.73
2019		465,000	5.250%	342,168.75	807,168.75	805,925.00	2017	230,565,650	3.50	766,630.79	1,038,548.52
2020		490,000	5.250%	317,100.00	807,100.00	807,168.75	2018	230,565,650	3.50	766,630.79	998,010.56
2021		515,000	5.250%	290,718.75	805,718.75	807,100.00	2019	230,565,650	3.50	766,630.79	957,541.34
2022		545,000	5.250%	262,893.75	807,893.75	805,718.75	2020	230,565,650	3.50	766,630.79	918,453.38
2023		575,000	5.250%	233,493.75	808,493.75	807,893.75	2021	230,565,650	3.50	766,630.79	877,190.42
2024		605,000	5.250%	202,518.75	807,518.75	808,493.75	2022	230,565,650	3.50	766,630.79	835,327.45
2025		640,000	5.250%	169,837.50	809,837.50	807,518.75	2023	230,565,650	3.50	766,630.79	794,439.49
2026		675,000	5.250%	135,318.75	810,318.75	809,837.50	2024	230,565,650	3.50	766,630.79	751,232.78
2027		710,000	5.250%	98,962.50	808,962.50	810,318.75	2025	230,565,650	3.50	766,630.79	707,544.81
2028		745,000	5.250%	60,768.75	805,768.75	808,962.50	2026	230,565,650	3.50	766,630.79	665,213.10
2029		785,000	5.250%	20,606.25	805,606.25	805,768.75	2027	230,565,650	3.50	766,630.79	626,075.14
2029		785,000	5.250%	20,606.25	805,606.25	805,606.25	2028	230,565,650	3.50	766,630.79	587,099.67
TOTALS	6,522,284.38	10,000,000		6,151,425.00	16,151,425.00	22,673,709.38					

(1) Refunding Series 2004 and Refunding Series 2005.

(2) Assessed valuation actual for 2007 and 2008, 2% annual growth assumed until 2013. No growth thereafter.

(3) Millage income calculated assuming a 95% net collection rate.

(4) Estimated Sinking Fund Balance of \$1,267,583 as of June 30, 2008 less September 1, 2008 debt service interest payment.

Prepared by:

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