



MEMO FROM COUNCIL OFFICE:

To: Members of the Common Council

From: Stephen Lucas, Council Administrator/Attorney

Date: November 9, 2023

Re: Ordinance 23-30 - An Ordinance Concerning the Construction of Additions and Improvements to the Waterworks of the City of Bloomington, Indiana; the Issuance of Revenue Bonds to Provide the Cost Thereof, the Collection, Segregation, and Distribution of the Revenues of Said Waterworks, the Safeguarding of the Interests of the Owners of Said Revenue Bonds, Other Matters Connected Therewith, Including the Issuance of Notes in Anticipation of Bonds, and Repealing Ordinances Inconsistent Herewith

Synopsis

This ordinance authorizes the City of Bloomington to issue its Waterworks Revenue Bonds of 2024 in the aggregate principal amount not to exceed \$95,000 through a forgivable loan program with the Indiana Finance Authority. The 2024 bonds will be issued to finance water pipe related inventory, and pay costs of issuance of the bonds.

Relevant Materials

- Ordinance 23-30
- Staff memo from Assistant City Attorney Chris Wheeler
- Utilities Service Board Resolution 2023-23
- Indiana Finance Authority – State Revolving Fund Loan Program Fact Sheet

Summary

Ordinance 23-30 authorizes the issuance of waterworks bonds in the amount of \$95,000 through a forgivable loan program of the Indiana Finance Authority (IFA). This money would be used to purchase equipment to assist with the City's service line inventory efforts (more details available at <https://bloomington.in.gov/utilities/inventory>). The equipment to be purchased would include a lead pipe detection tool and accompanying items (e.g., iPads, GIS user licenses) to allow staff to conduct the service line inventory and record the data.

The City expects to receive funding for this project through the IFA's State Revolving Fund Loan Program. The City would need to meet certain requirements of the program to ensure the IFA loan is forgiven. The bond ordinance sets forth the procedures and assurances necessary for the relevant financial interests and parties to engage in this transaction.

Wastewater and drinking water revolving loan programs are governed by provisions in state code that spell out state-wide administration of the funds as well as requirements placed on loan participants. For more information on the State Revolving Fund (SRF) Loan Programs and for additional guidance and documents, please consult the following web pages:



City of Bloomington Indiana

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About SRF: <https://www.in.gov/ifa/srf/>

Applications Guidance & Documents: <https://www.in.gov/ifa/srf/applications-guidance-and-documents>

Contact

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