

Board of Commissioners Ordinance

B2020-244

15 West Kellogg Blvd.
Saint Paul, MN 55102
651-266-9200

Sponsor: Finance

Meeting Date: 12/1/2020

Item Number: 2020-570

Title: 2021 Solid Waste Facility Bond Ordinance

Background:

As part of the approved R&E Center enhancements financing structure, Ramsey County proposes to issue general obligation bonds, on behalf of both Ramsey and Washington Counties, to fund the aggregate County Enhancement Loan amount for the R&E Center enhancements.

The R&E enhancements financing structure was approved by the R&E Board (Resolution R&E Board - 2020-09) and the Ramsey County Board (Resolution B2020-201) and includes the following:

1. *Approve the financing structure for the R&E Center enhancements, to include the following:*
 - a. *Each county shall loan a proportionate share to the R&E Board sufficient to cover its share of total financing, including all financing costs for the R&E Center enhancements, according to the percentages set forth in the joint powers agreement: Ramsey County - 73%, Washington County - 27% (the "County Enhancement Loans").*
 - b. *Ramsey County shall issue general obligation bonds on behalf of both counties (the "County Bonds") to fund the aggregate County Enhancement Loan amount for the R&E Center enhancements.*
 - c. *Ramsey County and Washington County shall enter into an agreement whereby Washington County agrees that Ramsey County will issue bonds on behalf of both counties, and that Washington County shall provide its general obligation pledge to Ramsey County for its share of the financing and pay its share of the total financing of the R&E Center enhancements through its loan agreement with the R&E Board.*
 - d. *The R&E Board shall be obligated to and is hereby authorized to enter into one or more loan agreements pursuant to which it will agree to repay the County Enhancements Loans from facility revenues, County Environmental Charges and other available revenues on terms and conditions that match, or are otherwise consistent with, any terms and conditions of any other loans outstanding and owed to the counties, additional covenants required by the counties and the County Bonds issued to fund R&E Board's County Enhancements Loans.*

The two R&E Center enhancement projects, a durable compostable bag processing system and a recyclables recovery system are estimated to cost \$19,286,450 and \$23,575,000 respectively, for a total estimated cost of \$42,861,450. To allow for small adjustments and costs of issuance, the proposed 2021 Solid Waste Facility Bond Ordinance sets the maximum amount of bonding at \$43,000,000. The final amount will be off set by State bonding funds for the same purpose but final estimates are still being determined. The proposed ordinance sets the maximum amount of bonds that can be issued, the actual amount of bonds issued may be less, and cannot be more, than the maximum set in the ordinance. The County Board will be requested at future dates to approve the actual amount of bonds issued and to award the sale of the bonds to the lowest bidder.

The proposed bonds would be issued by ordinance in accordance with procedures set forth in the County's General Bonding Ordinance No. 93-292, adopted on July 29, 1993, and in compliance with the Ramsey County Home Rule Charter.

On November 17, 2020, a public hearing was held to afford an opportunity for the public to comment on the proposed 2021 Solid Waste Facility Bond Ordinance. No public comments were brought forth. With Board approval on December 1, 2020, the ordinance will become effective January 23, 2021, after which the County Board will be requested to authorize the bond sale on January 26, 2021, approve the final amount of bonds to be sold and set the bond sale date. The Finance Department anticipates a February 22, 2021 bond sale date and the award of the bonds considered by the County Board on February 23, 2021.

Recommendation:

The Ramsey County Board of Commissioners resolved to:

Approve the 2021 Solid Waste Facility Bond Ordinance, which sets forth a procedure for issuance of the bonds.

A motion to approve was made by Commissioner Reinhardt, seconded by Commissioner McGuire.
Ayes – 7: Frethem, MatasCastillo, McDonough, McGuire, Ortega, Reinhardt, Carter. Motion passed.

By: _____
Janet M. Guthrie, Chief Clerk – County Board