

City of Darien
Minutes of the Administrative/Finance Committee
March 5, 2018

The Meeting was called to order by Chairman/Alderman Ted Schauer at 6:00 pm. Committee members Aldermen Kenny and Chlystek were present. Treasurer Mike Coren and City Administrator Bryon Vana were also present.

Motion recommending approval of a resolution declaring the official intent to reimburse expenditures of the City of Darien in connection with the issuance of not-to-exceed \$4,000,000 general obligation bonds series 2018 of the City of Darien, DuPage County, Illinois

Staff advised that the FYE 19 proposed budget includes a G.O. Bond to fund various water main improvements over the next several years. The first water main project is scheduled for approval prior to issuing the bond. The proposed reimbursement resolution will allow the City to use the bond proceeds for costs incurred prior to the receipt of the bond proceeds. This is a routine procedure when the project is approved prior to the approval of the bond. The Committee unanimously recommended approval of the motion

A Motion recommending approval of:

- **A proposal from SPEER FINANCIAL INC dated February 6, 2018, for municipal advisor services for the G.O. Water Bonds, Series 2018 in an amount \$4,500 plus 2/10 of 1% of the municipal securities issued in excess of \$1,000,000**
- **A proposal from ICE MILLER LLP dated February 16, 2018, for Bond Counsel Services for G.O. Water Bonds, Series 2018 in the amount of \$5,900**
- **An expenditure in the amount not to exceed \$14,000 to obtain a bond rating from Moody's for the G.O. Water Bonds, Series 2018**

The Staff advised that the City Council discussed several water main improvements as part of the FYE 2019 budget meetings. These improvements are estimated to cost approximately \$3,500,000. These projects are planned over the next 3 budget years. In order to fund the projects, staff is proposing a G.O. bond in the amount of \$3,500,000. In order to obtain the bonds, it is necessary to approve certain services related to the bond. First, staff obtained a proposal from SPEER FINANCIAL, INC to serve as financial advisor for the sale. SPEER has served the City in this capacity for our previous bond sales and has always provided excellent service. SPEER is available to the City for financial advice as needed and provides that for no charge. Second, I obtained two proposals from Attorneys that provide bond counsel services. The lowest proposal was from *Ice Miller LLP* in the amount of \$5,900. The second proposal was from Chapman and Cutler LLP in the amount of \$9,000.

Third, staff is requesting approval to proceed with a bond rating from Moody's in the amount not to exceed \$14,000. SPEER Financial, INC recommends a bond rating when the cost of a rating is offset or exceeded by interest savings. The cost for the bond rating is payable even if the city does not close on bonds. The Committee unanimously recommended approval of the motion.

Minutes – November 6, 2017 – The Committee unanimously approved the minutes.

Adjournment - The meeting adjourned at 6:50.

Approved:

Ted Schauer, Chairman _____

Joseph Kenny, Member _____

Thomas Chlystek, Member _____