



TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

STAFF REPORT

Board Meeting Date: January

DATE: January 21, 2020

TO: Truckee Meadows Fire Protection District Board of Fire Commissioners

FROM: Cindy Vance, CFO
Phone: (775) 326-6070 Email: cvance@tmfpd.us

THROUGH: Charles A. Moore, Fire Chief
Phone: (775) 328-6123 Email: cmoore@tmfpd.us

SUBJECT: Recommendation to adopt a resolution directing the Clerk to notify the Washoe County Debt Management Commission of the District's proposal to issue its Truckee Meadows Fire Protection District's General Obligation (Limited Tax) Capital Improvement Bonds (additionally secured by pledged revenues) in the maximum principal amount of \$2,100,000 to finance the acquisition of properties for stations authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefor; and providing the effective date hereof. (All Commission Districts.) FOR POSSIBLE ACTION

SUMMARY

Staff is recommending to adopt a resolution directing the Clerk to notify the Washoe County Debt Management Commission of the District's proposal to issue its Truckee Meadows Fire Protection District's General Obligation (Limited Tax) Capital Improvement Bonds (additionally secured by pledged revenues) in the maximum principal amount of \$2,100,000 to finance the acquisition of properties for stations authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefor (the "Project").

PREVIOUS ACTION

On November 13, 2018 the Board of Fire Commissioners approved and executed final settlement and title paperwork with a closing date of November 16, 2018 for the acquisition of property located at 5445 Pelham Drive (APN 051-22-08) to accommodate the replacement of Truckee Meadows Fire Protection District's Fire Station #37 modular residential building in an amount not to exceed \$499,900 plus closing costs, less \$2,500 in an earnest money deposit.

BACKGROUND

The Board is being asked to adopt this resolution as a necessary step in the issuance process for a general obligation revenue bond. The bond is a general obligation bond of the District and must be sold in accordance with the provisions of NRS Chapter 350. NRS 350.14 requires that before any general obligation debt is issued, the proposed bond issuance must receive a favorable vote of the Washoe County Debt Management Commission (DMC). The next DMC meeting is scheduled to be held on

AGENDA ITEM #

February 28, 2020, and if the Board of Fire Commissioners adopts this resolution, staff intends to submit the proposed bond issuance to the DMC for approval at that meeting.

If the proposed bond issuance is approved by the DMC, staff will continue the bond issuance process, which includes Board adoption of a Resolution of Intent and Sale Resolution (expected in March 2020), conduct a public hearing, and BoFC adoption of a bond resolution (expected in June 2020). Following completion of this process, the bond closing is expected to occur in early July 2020.

The District currently expects to use the proceeds from the proposed bonds to pay the costs of the Station 37 and Washoe Valley projects including the reimbursement of certain costs incurred by the District prior to the execution and delivery of the proposed bonds.

If this resolution is approved, the District's Debt Management Policy and Capital Improvement Plan will be amended to include the proposed project and bonds.

FISCAL IMPACT

If approved, the maximum principal amount of proposed Truckee Meadows Fire Protection District's General Obligation (Limited Tax) Capital Improvement Bonds (additionally secured by pledged revenues) to be sold is \$2,100,000. The proposed bonds are additionally secured by a lien upon 15% of the District's receipt of Consolidated Taxes. Estimated annual debt service on the proposed bonds is \$151,000 per year for 20 years, beginning in fiscal year 2020-21. Exhibit B to the proposed resolution contains the Revenue Study outlining the Capital Improvement Bond Funding Model with estimated total annual debt service, which includes debt service coverage.

RECOMMENDATION

Staff recommends that the Board adopt a resolution directing the Clerk to notify the Washoe County Debt Management Commission of the District's proposal to issue its Truckee Meadows Fire Protection District's General Obligation (Limited Tax) Capital Improvement Bonds (additionally secured by pledged revenues) in the maximum principal amount of \$2,100,000 to finance the acquisition of properties for stations authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefor; and providing the effective date hereof.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion could be:

"I move to adopt a resolution directing the Clerk to notify the Washoe County Debt Management Commission of the District's proposal to issue its Truckee Meadows Fire Protection District's General Obligation (Limited Tax) Capital Improvement Bonds (additionally secured by pledged revenues) in the maximum principal amount of \$2,100,000 to finance the acquisition of properties for stations authorized by NRS 474.511, including fixtures, structures, stations, other buildings and sites therefor and appurtenances and incidentals necessary, useful or desirable for any such facilities, including all types of property therefor."