



Agenda Memorandum

Agenda Item – {{section.number}}.B.

City Council Meeting
August 28, 2023



Strategic Priority 2: Proactive Public Safety

Enhance public safety to emphasize both prevention and enforcement, engage the community through education and outreach and provide the resources necessary to ensure safety and well-being throughout Westminster.



Strategic Priority 5: Robust Infrastructure

Provide safe and equitable access to core services and amenities by safeguarding, maintaining and improving the city's water, wastewater, stormwater, mobility and roadway systems.

Subject: Second Reading Councillor's Bill No. 38 Authorizing Certificates of Participation for Financing the Construction of a Replacement Municipal Court Facility and Issuance Costs

Prepared By: Larry Dorr, Deputy City Manager/CFO
Robert Byerhof, Treasury Manager

Recommended City Council Action:

Pass Councillor's Bill No. 38, on second reading, authorizing the issuance of tax-exempt Certificates of Participation, Series 2023 in a par amount not to exceed \$37.1 million for the construction of a Replacement Municipal Court Facility, and related COP issuance costs.

Summary Statement:

- On May 1, 2023, City Council gave Staff direction to issue Certificates of Participation (COPs) for the construction of a Replacement Municipal Court Facility. The City's Replacement Municipal Court Facility will be pledged as collateral for the COPS. This Ordinance will authorize the issuance of the COPS within certain parameters, not to exceed certain terms and interest rates. Staff and the City's financial advisors, and underwriters anticipate that the COPS will be issued with terms equal to, or more favorable than, those set forth in the Ordinance. This Ordinance sets forth the authority to issue these COPS in a similar manner, within parameters, as previous City COP issues.

- The construction of the City's new facility is estimated to cost \$42.7 million. Related to the COPS, Staff estimates that construction proceeds will be \$36.6 million and issuance costs will be \$500,000, for a total COP par amount of \$37.1 million. In addition to the \$36.6 million in construction proceeds, the City will utilize \$6.1 million in pay-as-you-go funds accumulated in recent years, for a total construction cost of \$42.7 million.
- The City is negotiating with Community Reach Center to potentially build a shared facility at the site of the Replacement Municipal Court Facility. Such an agreement to build a co-location would allow for the City to continue its long-standing co-location with Community Reach Center and replace the building currently occupied by Community Reach Center that is separate but adjacent to the current Westminster Municipal Court. Such an agreement would not impact the City's ability to replace the Municipal Court Facility or impact the City's current cost estimate. Potentially, the City and Community Reach Center may be able to build one facility under a condominium concept, whereby a portion of the facility will be funded completely by Community Reach Center, and one portion funded by the City and these COPS. This would allow for one location to serve multiple needs within the Westminster community.
- City Council passed Councillor's Bill No. 38 on first reading by a vote of (6 to 1) on August 14, 2023.

Fiscal Impact:

Not to exceed \$37.1 million par value in COPS

Source of Funds:

Certificate of Participation proceeds

Respectfully Submitted,

Mark A Freitag

Mark A. Freitag
City Manager

Attachments:

Councillor's Bill No. 38 – Authorizing Certificates of Participation for Financing the Construction of a Replacement Municipal Court Facility and Issuance Costs