



Finance, Budget and Administration

Nicole Gorle

Council Initiated:

Yes

No

ECAF: 2024-1841
Ordinance: 24-070

Type:

- Contract
- Board Appt.
- Code Amendment
- Budget Action
- Other

Requested Handling:

- Normal
- Expedite
- Urgent – 8/13

Fund Source:

- General Fund
- Other
- N/A

Executive Rec:

- Approve
- Do Not Approve
- N/A

Approved as to

Form:

- Yes
- No
- N/A

Subject: General Obligation Bond - Airport Inner Terminal Ramp Reconstruction Project

Scope: If approved, the Snohomish County’s Treasurers Office will purchase the bond for the Airport project.

Amount: \$8,951,566

Interest Rate: 4.25% (paid bi-annually beginning June 1, 2025)

Stipulations: The bond may be paid off prior to its maturity date, but does not have a set payment plan. When payments are made the minimum amount must be \$500k.

The intent is for bond payments to be covered by the passenger facility charge approved by the Federal Aviation Administration (FAA). In the event that the passenger facility charge does not cover the annual bond payment, it must be covered by County property tax revenue.

Duration: October 1, 2024 through September 30, 2029

Fiscal Impact: Current Year Multi-Year N/A

Expenditures	Current Year	2024	2025	2026	2027	Total
Fund 410	\$30,000					\$30,000
Total's	\$30,000	0	0	0	0	\$30,000

Revenue	Current Year	2024	2025	2026	2027	Total
Fund 410	\$8,951,566					\$8,951,566
Total's	\$8,951,566	0	0	0	0	\$8,951,566

Authority Granted: N/A

Background: The airport inner terminal ramp reconstruction project is in front of the passenger terminal area and part of the approved six-year capital improvement plan for the Snohomish County Airport. [Motion 23-131](#) approved a declaration of intent to issue a tax-exempt general obligation bond not to exceed \$8,921,038 to finance the project and ECAF [2023-0288](#) approved a bid award for Stacy & Whitbeck to complete the work. Bond payments will be covered through a passenger facility charge approved by the FAA (\$4.50 per enplaned passenger).

General obligation bonds are debt securities used to finance public projects that are backed by the government’s ability to use its taxing authority to repay the bond. The

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Snohomish County Treasure's Office, through the Snohomish County Investment Pool, has offered to purchase the \$8,951,566 Limited Tax Obligation Bond for this project. Because the Treasurer offered to purchase the bond, a tax-exempt bond is no longer necessary, making Motion 23-131 obsolete. This is mentioned because the total bond amount under the Treasurer is \$30,528 more than what was approved in Motion 23-131.

Requested Action: Move to GLS August 14th to set time and date for a public hearing.