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Silvis to sell bonds to fund fire trucks, street work

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By Seth Kabala, correspondent@qconline.com

Silvis aldermen have approved selling Build America Bonds to fund two new fire trucks and a street extension.

At a special meeting Wednesday night, aldermen approved selling \$3.2 million in bonds to buy a 1,500-gallon fire engine and an aerial platform lift of at least 100 feet. The bond sale also will finance the pavement extension of 10th Street.

"We were all a little bit astonished at what the Build America Bonds could do for us if we seriously looked into them," said Ald. Barb Fox, 2nd Ward. The bonds return a rebate to issuers, she said, and "the rebate would, in fact, allow us to pay our bond payments with the exception of about \$6,000 or \$7,000 (per year) that would have to come out of the general fund."

Aldermen also retained Jacob & Klein -- Silvis' longtime tax increment finance consultants - - as financial advisers and ICE Miller as bond counsel. ICE Miller will market the Build America Bonds. Ald. Fox said Tom Jacobs of the firm has said it will waive its fee for the project.

Alds. Jim Cramblett, 3rd Ward, and Tom Conrad, 4th Ward, were not at Wednesday's meeting.

The bond vote came after aldermen shared concerns about the speed of the decision and the certainty of rebates. The bonds' provisions require them to be sold by the end of 2010. Mayor Bill Fox noted the city, by securing bond insurance, was protecting itself about as well as it could.

"This is the city of progress," said Ald. Bob Cervantes, 1st Ward. "Let's progress."

He added he expected the 10th Street/Avenue of the Cities corridor to fill with new business once Silvis completes its new fire station. Silvis officials broke ground for the station Monday afternoon; the building is expected to be ready for use in 2011.

