



FORT BRAGG JOINT POWERS FINANCING AUTHORITY STAFF REPORT

TO: Board of Directors of The Fort Bragg Joint Powers Financing Authority

DATE: May 12, 2025

PREPARED BY: Isaac Whippy, Executive Director

PRESENTER: Isaac Whippy, Executive Director

AGENDA TITLE: CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF FORT BRAGG JOINT POWERS FINANCING AUTHORITY APPROVING THE EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE AGREEMENT WITH THE CITY OF FORT BRAGG, AND RELATED DOCUMENTS AND ADDITIONAL ACTIONS

RECOMMENDATION

Adopt the attached Resolution authorizing the issuance of debt by the City of Fort Bragg (the "City") through an Installment Purchase Agreement with the Fort Bragg Joint Powers Financing Authority (the "Authority") for the City's Broadband Utility project and approving the related financing documents that the Authority will be executing.

SUMMARY

This item is being brought to the Authority's Board of Directors for consideration as part of the process for the City's issuance of debt related to the City's Broadband Utility project. The City's item was previously [presented to the City Council on April 28, 2025](#). For simplicity, the prior City Council staff report is included in Attachment 5, which has a detailed description of the project, financing structure, debt service costs, and summary of the pertinent legal documents. This can also be accessed at the link above. There have been no material changes to the financing structure. The costs of issuance have increased by about \$12,000 from the previous analysis (these are financed through the loan) given the finalization of fees for the various parties on the financing team, as well as an increase to the contingency budget. Any contingency funds that go unused will flow back to the City. New Good Faith Estimates that reflect this slight increase are included as Attachment 6, and are being included for transparency purposes as the prior Good Faith Estimates were properly presented to the City and were noted that they may increase.

AGENDA ITEM NO. 8B

While the structure remains largely the same, the JPA version of the Installment Purchase Agreement (the "IPA") includes minor technical updates necessary for implementation under the JPA framework. Per the City Attorney's review, as counsel to the Authority, these revisions do not constitute material changes to the previously approved terms. However, in the interest of transparency and to ensure Council/the Board and the public are fully informed, staff is presenting the item again with the updated IPA. The redlined version of the IPA clarifies these minor revisions and can be found in Attachment 4.

FISCAL IMPACT:

There is no financial impact to the FY 2025 budget. The first debt payment will occur in FY 2028 in an amount of \$524,653 and is expected to be paid by revenue of the new Broadband Enterprise. All costs of issuance will be financed through the 2025 IPA

GREENHOUSE GAS EMISSIONS IMPACT:

There is no impact to greenhouse gas emissions from approving the resolution.

ALTERNATIVE ACTION(S):

1. Do not adopt the resolutions.
2. Provide alternative direction to staff.

STRATEGIC PLAN/CONSISTENCY:

1. INVIGORATE ECONOMIC OPPORTUNITY AND COMMUNITY VIBRANCY

1 (D) Develop and maintain affordable and reliable high-speed fiber-optics infrastructure to support and attract diverse businesses, online education, and remote employment that will connect Fort Bragg to the world.

- Construct, manage, and maintain a municipal broadband utility that provides citywide access to underground networks with industry-leading speeds to provide secondary communications during emergencies and support businesses.

ATTACHMENTS:

Attachment 1: JPA Resolution
Attachment 2: JPA Installment Purchase Agreement (Clean)
Attachment 3: JPA Assignment Agreement (Clean)
Attachment 4: JPA Installment Purchase Agreement (Redline)
Attachment 5: Prior City Council Staff Report
Attachment 6: Good Faith Estimates