



# Mud to Parks

## Bondability Guidelines

1. General Guidelines: Three primary considerations –
  - a. Project should confer long-term benefit (equal to or greater than 20 years)
  - b. Project should be high priority long-term capital improvement
  - c. Project value should equal or exceed \$25,000
2. Criteria Bondable Projects must meet –
  - a. Project expenses will not be recurring. They would be defined as costs incurred for the same expenditure purpose after completion of the bondable capital project at a frequent or regular interval over the life of the bonds issued to finance the project
  - b. Project is of a durable nature and not consumed in use
  - c. Project is not subject to risk of failure, rapid technological obsolescence, or primarily intended to fulfill temporary requirements or needs
  - d. Project appreciably increases, improves or enhances the interests of the bond issuer in the land, building or asset to be developed, constructed or improved
  - e. Bond issuer holds legal title, or a permanent easement, to the real property being improved
3. Types of Allowable Projects include –
  - a. Architectural planning and engineering design
  - b. Site selection
  - c. Land and building acquisition
  - d. Demolition in preparation for additional site work (but not by itself)
  - e. Site preparation and improvement
  - f. Utility work
  - g. New construction of buildings and structures
  - h. Reconstruction or improvement of existing buildings or structures
  - i. Original furnishings and equipment (not replacements)
  - j. Replacement of current assets by a better asset
  - k. Expansion of existing buildings or facilities
  - l. Other work that significantly increases the service potential of a building or structure
4. Non-bondable Projects include –
  - a. Repairs, maintenance or remodeling of a limited nature or scope and not done as part of a larger bondable project
  - b. Project that maintains or preserves the existing condition, use or size of a capital asset and is not a betterment or change to the capital asset's condition, use or size
  - c. Improvements that do not significantly add to the value of the capital asset or appreciably prolong the life of the asset
  - d. Expenditures for general long-term development plans, master plans, facility surveys, historical or archeological research, feasibility studies, program or scope statements, energy audits, or other similar
  - e. Relocation costs
  - f. Recurring costs for water control structures or improvement, such as, rip rap, filter cloth, dredging and installation of plant materials
  - g. An aggregation of non-bondable elements does not constitute a bondable project, nor does repairs resulting from deferred maintenance
  - h. Purchase of moveable equipment unless part of initial bondable construction, and rolling stock (cars, trucks, boats, etc.)