



Legislation Details (With Text)

File #: 45060 **Version:** 1 **Name:** A Resolution Authorizing and Providing for the Sale and Issuance of \$[40,810,000] Water Utility Revenue Refunding and Improvement Bonds, Series 2016, and All Related Details

Type: Resolution **Status:** Passed

File created: 11/7/2016 **In control:** COMMON COUNCIL

On agenda: 12/6/2016 **Final action:** 12/6/2016

Enactment date: 12/6/2016 **Enactment #:** RES-16-00876

Title: A Resolution Authorizing and Providing for the Sale and Issuance of \$40,810,000 Water Utility Revenue Refunding and Improvement Bonds, Series 2016, and All Related Detail

Sponsors: David Ahrens, Sheri Carter

Indexes:

Code sections:

Attachments: 1. BODY, 2. Bid Tab.pdf, 3. Winning Bid Signed by the Purchaser.pdf

Date	Ver.	Action By	Action	Result
12/6/2016	1	COMMON COUNCIL	Adopt Unanimously	Pass
12/6/2016	1	WATER UTILITY BOARD	Return to Lead with the Recommendation for Approval	Pass
11/29/2016	1	WATER UTILITY BOARD	Refer	Pass
11/22/2016	1	BOARD OF ESTIMATES (ended 4/2017)	Referred	
11/22/2016	1	COMMON COUNCIL	Refer	Pass
11/7/2016	1	Attorney's Office	Referred for Introduction	

Fiscal Note

This resolution authorizes the issuance of \$38.4 million in water utility revenue bonds to be repaid over a twenty-year amortization period. Proceeds will finance a water main replacement program, new water main construction, reconstruction of a booster pumping system and other capital projects, with \$15 million of the proceeds used to refinance prior bond issuances at a lower interest rate. The net present value savings of the refunding is \$1.135 million (5.9%). The true interest rate on the entire issuance is 3.18%. Annual interest rates range from 4% to 5%. Net interest costs over the twenty year life of the bonds is \$12.1 million. The winning bid includes an issuance premium of \$4 million, which can be applied toward establishing a debt service reserve fund for the bonds and to help finance project costs. Debt service on the bonds will be approximately \$1.8 million annually, paid from water utility revenues. The bonds received a Aa2 rating with a stable outlook from Moody's.

Title

A Resolution Authorizing and Providing for the Sale and Issuance of \$40,810,000 Water Utility Revenue Refunding and Improvement Bonds, Series 2016, and All Related Detail

Body

SEE "BODY" ATTACHED