



## Legislation Text

---

**File #:** 45060, **Version:** 1

---

### **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