



Legislation Details (With Text)

File #: 58198 **Version:** 1 **Name:** \$20,000,000 Water Utility Revenue Bond Anticipation Notes

Type: Resolution **Status:** Passed

File created: 11/12/2019 **In control:** WATER UTILITY BOARD

On agenda: 11/19/2019 **Final action:** 12/3/2019

Enactment date: 12/3/2019 **Enactment #:** RES-19-00824

Title: Resolution Authorizing and Providing for the Sale and Issuance of \$20,000,000 Water Utility Revenue Bond Anticipation Notes, Series 2019, and All Related Details

Sponsors: Michael J. Tierney, Marsha A. Rummel

Indexes:

Code sections:

Attachments: 1. 58198 Body.pdf, 2. Tic bid Madison BAN.pdf, 3. Winning bid signed by the purchaser - BAN.pdf, 4. Madison Water Utility 2019 BAN - Award Resolution.pdf

Date	Ver.	Action By	Action	Result
12/3/2019	1	COMMON COUNCIL	Adopt	Pass
12/3/2019	1	WATER UTILITY BOARD		
11/26/2019	1	WATER UTILITY BOARD		
11/19/2019	1	WATER UTILITY BOARD	Referred	
11/19/2019	1	COMMON COUNCIL	Refer	Pass
11/12/2019	1	Attorney's Office	Referred for Introduction	

Fiscal Note

This resolution authorizes the issuance of \$20,000,000 in water utility bond anticipation notes (BANs) to be repaid over a five-year amortization period from Water Utility revenues. Issuance of these BANs is part of a multi-year plan to seek Safe Drinking Water Program loans from the State of Wisconsin. Proceeds will finance a water main replacement program, new water main construction, reconstruction of a booster pumping system and other capital projects budgeted during 2019, 2020 and 2021. The true interest rate on the entire issuance is 1.57 percent. The coupon rate is 1.5 percent. The Water Utility will pay \$260,000 in interest costs in 2020 and \$300,000 per year in interest costs during 2021 through 2024, with the entire \$20 million principal repaid on November 1, 2024. Total interest costs over the five year life of the bonds are \$1.46 million. The bonds received a MIG 1 rating from Moody's Investors Service, based on the underlying credit characteristics reflected in the Water Utility's Aa2 revenue bond rating.

Title

Resolution Authorizing and Providing for the Sale and Issuance of \$20,000,000 Water Utility Revenue Bond Anticipation Notes, Series 2019, and All Related Details

Body

See attached document.