



Legislation Text

File #: 16445, **Version:** 1

Fiscal Note

This resolution authorizes the Water Utility to issue \$47,065,000 of tax exempt revenue bonds to fund \$11,000,000 of current capital projects and to fully restructure the Water Utility's outstanding debt. This full debt restructuring allows the Water Utility to replace its existing 30 year old bond covenants with new covenants that conform more closely with current industry standards regarding required debt reserves and debt coverage ratios. The restructuring also increases the Utility's capacity to borrow for current and future capital needs while increasing the Utility's available cash. These changes should help improve the stability of the Utility's future financial condition and allow the Utility to repay the current working capital loan from the City's General Fund within the next few years.

Sold at a true interest cost of 3.88%, these tax exempt bonds are secured by the current and future revenues of the Water Utility. A summary of the winning bid and all other bids is provided as a separate attachment.

Title

A Resolution authorizing and providing for the sale and issuance of \$49,520,000* Water Utility Revenue Refunding Bonds, Series 2009A, and all related details

Body

See attached Resolution.