



Legislation Text

File #: 20079, **Version:** 1

Fiscal Note

This resolution authorizes the Water Utility to borrow \$13,250,000 through the issuance of taxable "Build America Bonds" issued in conformance with authority made available under the federal stimulus program. The Water Utility will receive a direct federal subsidy equal to 35% of the interest rate stated on the bonds. The proceeds of this issue will be used to finance the ongoing Water Utility capital improvement program. After applying the federal interest subsidy, the true interest cost of this debt issue is 2.9366%. The bonds are secured by the current and future revenues of the Water Utility and repayment is scheduled over the next 20 years. A tabulation of the two bids received is provided as a separate attachment.

Title

A Resolution Authorizing and Providing for the Sale and Issuance of \$13,250,000 [Taxable] Water Utility Revenue Bonds, Series 2010, and All Related Details

Body