



Legislation Text

File #: 20643, **Version:** 1

Fiscal Note

This resolution authorizes the Sewer Utility to borrow \$13,135,000 through the issuance of taxable "Build America Bonds" issued in conformance with authority made available under the federal stimulus program. The Sewer 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 Sewer Utility capital improvement program. After applying the federal interest subsidy, the true interest cost of this debt issue is 2.9078%. The bonds are secured by the current and future revenues of the Sewer Utility and repayment is scheduled over the next 15 years. A tabulation of the five bids received is provided as a separate attachment.

Title

Authorizing and Awarding \$13,135,000 Sewer System Revenue Bonds, Series 2010-F, and Establishing Interest Rates Thereon

Body

Attached