



## Legislation Text

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**File #:** 58216, **Version:** 1

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This resolution authorizes the issuance of \$33.9 million in water utility revenue refunding bonds to be repaid over an eleven year amortization period. Proceeds will be used to refinance the 2009A Water Utility and 2010 Water Utility (Build America Bonds) revenue bond issuances at a lower interest rate. The net present value benefit of the refunding is \$4.9 million (9.3% of refunded principal and interest); the cash flow savings (prior issue debt service vs. refunded debt service) is \$6.1 million, with \$3.6 million realized by 2022. The true interest cost on the entire issuance is 1.66%, which reflects a \$4.7 million reoffering premium. Annual interest rates range from 2% to 5%. Net interest costs over the 11 year life of the bonds are \$8.4 million. Debt service on the bonds will vary between \$2.2 million and \$5.8 million annually, paid from water utility revenues. The bonds received an Aa2 rating with a Stable outlook from Moody's Investors Service.

Resolution Authorizing and Providing for the Sale and Issuance of \$33,870,000\* Water Utility Revenue Refunding Bonds, Series 2019A, and All Related Details

See attached document.