



Legislation Text

File #: ID 18-0280, **Version:** 1

Ordinance Amending the Water Resources Capital Project Bond Fund - Series 2018 Budget for Expenses
Associated with the Issuance of a Bond Anticipation Note

Department: Financial & Administrative Services
Council District: All

Public Hearing: N/A
Advertising Date/By: N/A

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PURPOSE: The City proposes to issue \$85 million Revenue Bond Anticipation Notes (BANs) to finance certain water and wastewater systems improvements that will be constructed over the next two years. The purpose of this resolution is to establish funding for the expenses associated with issuing BANs including application fees, and other related issuance costs.

BACKGROUND: This proposed financing provides up to \$85 million for improvements to the T. Z. Osborne wastewater treatment plant related to biological nutrient removal, Mitchell Water Filter Plant improvements, Hilltop Road Lift Station improvements, and debt issuance costs. The Local Government Commission is scheduled to approve the issuance and financing team on June 5, 2018.

BUDGET IMPACT: Repayment of the debt service on outstanding revenue bonds and proposed Series 2018 revenue BANs will require an increase in water and sewer rates in FY 18-19. Under current economic conditions, the notes can be marketed at reasonable rates of interest.

RECOMMENDATION / ACTION REQUESTED: The Finance, Legal and Water Resources Departments recommend approval of the attached ordinance in the amount of \$100,000 to provide appropriations for the issuance costs associated with the 2018 CES Revenue Bond Anticipation Note, Series 2018.