

## Legislation Details (With Text)

<b>File #:</b>	15-7252	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Business Item	<b>Status:</b>		Approved	
<b>File created:</b>	12/29/2017	<b>In control:</b>		City Council Business Meeting	
<b>On agenda:</b>	2/12/2018	<b>Final action:</b>		2/12/2018	
<b>Title:</b>	Authorization of Storm Water Revenue Bond Anticipation Notes				
<b>Attachments:</b>	1. Project List, 2. Initial Resolution, 3. Bond Order				

Date	Ver.	Action By	Action	Result
2/12/2018	1	City Council Business Meeting	Approve	Pass

## Authorization of Storm Water Revenue Bond Anticipation Notes

### Action:

- A. Adopt the bond order authorizing the issuance of up to \$115,000,000 of revenue bond anticipation notes,**
- B. Adopt a bond resolution for the approval, execution, and delivery in connection with the issuance of up to \$115,000,000 of revenue anticipation notes, and**
- C. Authorize the City Manager and Chief Financial Officer to take necessary actions to complete the financing, including submitting the application to the Local Government Commission.**

### **Staff Resource(s):**

Randy Harrington, Management and Financial Services  
Mike Davis, Engineering and Property Management

### **Explanation**

- City Council annually adopts the Storm Water Community Investment Plan, and it includes capital projects to be funded with debt proceeds.
- Projects funded include:
  - Storm Drainage Improvement Projects, and
  - Surface Water Quality Projects (Pollution control and stream restoration).
- The debt issuance is planned in two steps: a short-term construction period draw program which will then be converted to long-term, fixed rate revenue bonds once construction nears completion (up to 36 months).
- This financing approach has been used extensively by the City and reduces interest cost, promotes rate stability, and it provides flexibility in the timing of the spending.
- The construction period financing will be in the form of an \$115,000,000 privately-placed drawdown program, allowing the City to reimburse expenses on a monthly basis during construction and eliminating interest expense on funds not yet expended on the project.
- This current action adopts the bond order and bond resolution for the program.
- The North Carolina Local Government Commission is expected to review and approve this financing on March 6, 2018.
- This \$115,000,000 will be used on approved projects and can be supported with current revenues.

**Fiscal Note**

Funding: Storm Water Debt Service Fund

**Attachment(s)**

Bond Order

Bond Resolution

Project List