



## Legislation Details (With Text)

<b>File #:</b>	15-15522	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Business Item	<b>Status:</b>		Agenda Ready	
<b>File created:</b>	3/31/2021	<b>In control:</b>		City Council Business Meeting	
<b>On agenda:</b>	4/26/2021	<b>Final action:</b>			
<b>Title:</b>	Water and Sewer Revenue Bond Anticipation Note				
<b>Attachments:</b>	1. Bond Order - Charlotte Water and Sewer Bond Anticipation Note, Series 2021, 2. Bond Anticipation Note Resolution - Charlotte Water and Sewer BANs, Series 2021 (Drawdown Program)				

Date	Ver.	Action By	Action	Result
4/26/2021	1	City Council Business Meeting	Adopt and Approve	Pass

## Water and Sewer Revenue Bond Anticipation Note

### Action:

- A. Adopt a bond order and resolution authorizing the issuance of up to \$250,000,000 of revenue bond anticipation notes and calling for the execution and delivery of various documents in connection with the issuance, and**
- B. Authorize city officials to take necessary actions to complete the financing, including making the application to the Local Government Commission.**

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

Kelly Flannery, Finance  
Angela Charles, Charlotte Water

### **Explanation**

- City Council adopts the Charlotte Water Capital Investment Plan which includes capital projects to be funded with debt proceeds. The debt issuance is planned in two steps; a short-term construction period draw program lasting up to 36 months which will then be converted into long-term, fixed rate revenue bonds once construction nears completion.
- This financing approach reduces interest cost, promotes rate stability, and provides flexibility in the timing of the spending.
- The construction period financing will be in the form of a \$250,000,000 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 projects.
- The projects being funded are concentrated in two different areas:
  - Maintenance of existing treatment facilities to ensure reliable treatment process and regulatory compliance, and
  - Rehabilitation and replacement of existing water and sewer infrastructure that has met its useful performance life.
- This action does not require rate increases.
- The North Carolina Local Government Commission is expected to review and approve this financing on June 1, 2021.

### **Fiscal Note**

Funding: Charlotte Water Revenue Bond Debt Service Fund

### **Attachment(s)**

Bond Order  
Resolution