

Legislation Details (With Text)

File #:	15-18444	Version:	1	Name:	
Type:	Business Item	Status:		Agenda Ready	
File created:	7/26/2022	In control:		City Council Business Meeting	
On agenda:	8/22/2022	Final action:			
Title:	Authorization of Storm Water Revenue Bond Anticipation Notes				
Attachments:	1. Bond Order - Charlotte Storm Water Fee BAN 2022, 2. Initial Resolution (Combines Findings and Approvals) - Charlotte Storm Water BANs 2022				

Date	Ver.	Action By	Action	Result
8/22/2022	1	City Council Business Meeting	Approve	Pass

Authorization of Storm Water Revenue Bond Anticipation Notes

Action:

- A. Adopt a bond order and resolution authorizing the issuance of up to \$125,000,000 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):

Teresa Smith, Finance
Matthew Hastedt, Finance
Angela Charles, Charlotte Water
Mike Davis, Storm Water Services

Explanation

- City Council annually adopts the Storm 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 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 provides flexibility in the timing of the spending.
- The construction period financing will be in the form of an \$125,000,000 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.
- Projects funded include major and minor flood control projects.
- The North Carolina Local Government Commission is expected to review and approve this financing on September 22, 2022.
- This \$125,000,000 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