



## Legislation Text

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File #: 15-18444, Version: 1

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### 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  
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#### **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