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July 19, 2018

MEMO TO: David Trego, CEO/General Manager

MEMO FROM: *Rhonda Haskins*
Rhonda Haskins, Chief Financial Officer

SUBJECT: Series 2018 Revenue Bonds – Resolution to File Application with the LGC

Attached is a resolution for Commission action at the September 26, 2018 meeting authorizing Staff to file an application with the LGC requesting approval for the issuance of revenue bonds not to exceed \$95 million. Adopting this resolution is the first action for PWC and the City in connection with the issuance of bonds. This resolution also approves the financing team. City Staff provided PWC the Bond Counsel and Co-Bond Counsel firms selected by City Council and these firms are included in the resolution.

BACKGROUND

PWC Staff has determined the need to issue in revenue bonds for an identified list of projects totaling approximately \$74 million and having construction periods from July 2018 – June 2020. These projects are also included in the most recent CIP document presented in June 2018. In addition to the funds needed for these projects, we have also identified an opportunity to refund \$15 million in revenue bonds producing a NPV savings of approximately \$850K (or 5%) which is \$900K in cash flow savings over the next 5 years.

To this point, PWC and City Staff had an organizational call with the LGC introducing our plan of finance and to outline the process from now until closing the deal. A short presentation will be provided during the meeting outlining the projects, the refunding calculation, current outstanding debt service, proposed debt service and the financing calendar. Key milestones are:

- October 12 File Application
- October 8 City adopt resolution to file application with the LGC
- October 24 PWC adopt Bond Order and request City adopt same
- November 6 LGC approval
- November 13 City adopt Bond Order
- November 27 Pricing – receive and accept bids for bonds
- December 11 Closing

Staff recommends that the Commission adopt the attached Resolution No. PWC2018-13.