



City Council Regular Meeting AGENDA ITEM

NUMBER: 35

SUBJECT:

Resolution No. 2729, A Resolution Declaring the Intent to Request the State Revolving Fund to Purchase the General Obligation (Limited Tax) Water and Wastewater Improvement Revenue Bonds (Additionally Secured by Pledged Revenues) in the Maximum Principal Amount of \$50,000,000; Providing Certain Details in Connection Therewith; and Providing the Effective Date Hereof. (Citywide) (For Possible Action; Recommendation – Pass and Adopt)

REQUESTED BY:

William V. Riggs, Finance Director

WARD:

(Citywide)

RECOMMENDATION OR RECOMMEND MOTION:

Staff recommends that City Council pass and adopt Resolution No. 2729 declaring the intent to request the State Revolving Fund to purchase the general obligation (limited tax) water and wastewater improvement revenue bonds (additionally secured by pledged revenues) in the maximum principal amount of \$50,000,000.

FISCAL IMPACT:

Amount:

Explanation: Up to \$2,446,323 in interest payments over the next nine fiscal years.

ACCOUNT NUMBER:

00610-600321-490620-000000

STAFF COMMENTS AND BACKGROUND INFORMATION:

On June 17, 2010, the City issued \$145 million in Water and Wastewater Improvement Revenue Bonds, Series 2010 (Series 2010 Bonds), for the purpose of acquiring, constructing, improving and equipping the City's Wastewater Reclamation Facility, which became operational in 2012. The Bonds were issued for a 30-year term with an interest rate ranging from 4.137% to 6.572%.

Currently, the amount of outstanding Series 2010 Bonds totals \$123,135,000 and the interest rate on those unpaid Bonds ranges between 6.122% and 6.572%.

The Nevada Division of Environmental Protection provides loans for drinking water and wastewater infrastructure construction to publicly-owned and privately-owned systems in Nevada at below market rates through its State Revolving Loan Fund (SRF). To date, SRF has obligated nearly \$700 million in clean water loans benefitting numerous jurisdictions throughout Nevada.

Under the State's SRF, the City anticipates refunding up to \$50 million (the limit established by SRF) of the outstanding Series 2010 Bonds at an interest rate of less than 3%, although this rate is subject to change until

the actual day of the transactions.

CIP No.	Related Item:	
LIST CITY COUNCIL GOAL(S): Responsible Fiscal Management		
PREPARED BY:	Respectfully Submitted	MEETING DATE:
William V. Riggs, Finance Director	Micaela R. Moore, City Manager	July 3, 2024