



City Council Regular Meeting AGENDA ITEM

NUMBER: 31

SUBJECT:

Resolution No. 2733: A Resolution Pertaining to the Issuance of the City of North Las Vegas, General Obligation (Limited Tax) Water and Wastewater Refunding Bonds (Additionally Secured by Pledged Revenues) for the Purpose of Refinancing Certain Outstanding Obligations of the City and Providing for Other Matters Properly Related Thereto. (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. 2733 pertaining to the issuance of up to \$135,000,000.00 in water and wastewater refunding revenue bonds for the purpose of refinancing outstanding obligations.

FISCAL IMPACT:

Amount:

Explanation: The savings will be identified at the time the bond ordinance is presented to City Council at a later date.

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 2010A (Series 2010A Bonds), for purposes 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 2010A Bonds totals \$123,135,000 and the interest rate on those unpaid bonds ranges between 6.122% and 6.572%. As previously passed and adopted by City Council in Resolution No. 2729, up to \$50,000,000 of the \$123,135,000 in outstanding bonds is expected to be refinanced through the State of Nevada Department of Conservation and Natural Resources in connection with a loan through the State Revolving Loan Fund Program (SRF) at an interest rate less than 3%. The City was recently approved by SRF to refinance \$31,250,000 million of the \$50,000,000 requested.

For the remaining amount of outstanding Series 2010A Bonds, the attached Resolution No. 2733 authorizes the Chief Financial Officer to arrange for the issuance and sale of refunding bonds. In an effort to time the bond market at the most appropriate time, staff distributed a Request for Proposal (RFP) for Underwriting Services. Five proposals were received prior to the deadline. After a thorough review process, it was determined that Wells Fargo Corporate & Investment Banking (Wells Fargo) provided the City with the best bid according to the stipulated criteria set forth in the RFP.

Thus, Resolution No. 2729 passed and adopted by City Council on July 3, 2024, permits the City to move forward with the refinancing of the \$31,250,000 through the SRF. If passed and adopted, the attached Resolution No. 2733 permits the Chief Financial Officer to move forward in the process with arranging for the issuance and sale of the remaining outstanding Series 2010A Bonds with Wells Fargo. The final terms and conditions of such issuance and sale of the remaining outstanding Series 2010A Bonds shall be approved by City Council through the adoption of a bond ordinance. In accordance with the City's Debt Management Policy, one of the conditions before refunding outstanding bonds can be undertaken is present value savings of at least 3% must be met. Additionally, the refunding must be in accordance with NRS 350.644.

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	September 4, 2024