

# Award of the Water Revenue Refunding Bonds Series 2021A

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November 15, 2021  
City Council Item 9





# Background

## Department of Finance

- Council approved the issuance of the 2021A Water Revenue Refunding Bonds on September 13, 2021 to refund the outstanding \$12.645 Million Water Revenue Bonds series 2011A and borrow an additional \$15 million in new bond proceeds.
- City Council authorized a not-to-exceed amount of \$27.645 million
- Bonds were sold on a competitive basis today, November 15, 2021



# Bid Results

Department of Finance

1. BofA Securities	2.383629 %
2. Fidelity Capital Markets	2.406765 %
3. Mesirow Financial, Inc.	2.407692 %
4. KeyBanc Capital markets	2.409289 %
5. Citigroup Global Markets, Inc	2.419090 %
6. Janney Montgomery Scott LLC	2.420558 %
7. J.P.Morgan Securities, LLC	2.420579 %
8. Wells Fargo Bank National Assoc.	2.423999 %
9. Morgan Stanley & Co, LLC	2.428672 %
10. SWBC Investment Services, LLC	2.431781 %
11. Hilltop Securities	2.441656 %
12. Robert W. Beird & Co., Inc.	2.448372 %



# Background

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- Pursuant to Section 1414 of the Charter, Council must accept the bid and fix the rate on the bonds
  - Winning True Interest Cost = 2.383629%
  - Net Nominal Savings = \$1,974,510
  - NPV Savings = \$1,860,719
  - NPV % Savings = 14.715%



# 2021A Water Revenue Refunding Bonds

Department of Finance

## Section 3 of the Resolution:

“The exact aggregate principal amount of the 2021A Bonds issued and sold is \$22,480,000.”



# 2021A Water Revenue Refunding Bonds

Department of Finance

## Section 4 of the Resolution:

“The Director of Finance is authorized and directed to deliver the 2021A Bonds at a purchase price of \$28,693,723.16.”



# Recommendation

Department of Finance

- Award the bonds to BofA Securities at a winning True Interest Cost of 2.383629%.