

## **SUBJECT**

### **BOARD RESOLUTION NO. 20-1254**

Pertaining to the issuance of Water Revenue Bonds, Series 2021, to finance Phase I and year one of Phase II of the McCarron's Treatment Plant Improvement Project (2020-2022 Projects).

## **BACKGROUND INFORMATION**

The Board of Water Commissioners (Board) has recommended a 2021 Budget for Saint Paul Regional Water Services (SPRWS) that includes a \$51 Million issuance of debt. The Board also recommended and the City of Saint Paul City Council has approved the 2020 SPRWS Budget which includes a \$20 Million issuance of debt. Both of these debt issuances are to fund the 2020-2022 Projects scheduled for design and construction from 2020-2022.

The Board had intended to use financing provided by the State of Minnesota Public Finance Authority (PFA) through their Drinking Water State Revolving Fund Program (SRF). This program may not be available due to the lack of a State of Minnesota Bonding Bill that is necessary to partially fund the overall program. As a result, the Board is working with the City of Saint Paul, outside bond counsel and Baker Tilly Municipal Advisors to prepare for the issuance of Water Revenue Bonds, Series 2021 in the first quarter of 2021.

This resolution will request and recommend that the City of Saint Paul authorize the issuance of the Series 2021 bonds in order to fund the 2020-2022 Projects. The Board will review the issuance and take concurring action at their meeting following the issuance of the bonds. The resolution also allows the Board to use the proceeds from the Revenue Bonds, Series 2021, to reimburse expenditures made for the 2020-2022 Projects prior to the issuance of the bonds.

## **RECOMMENDATION**

Board approval is recommended.